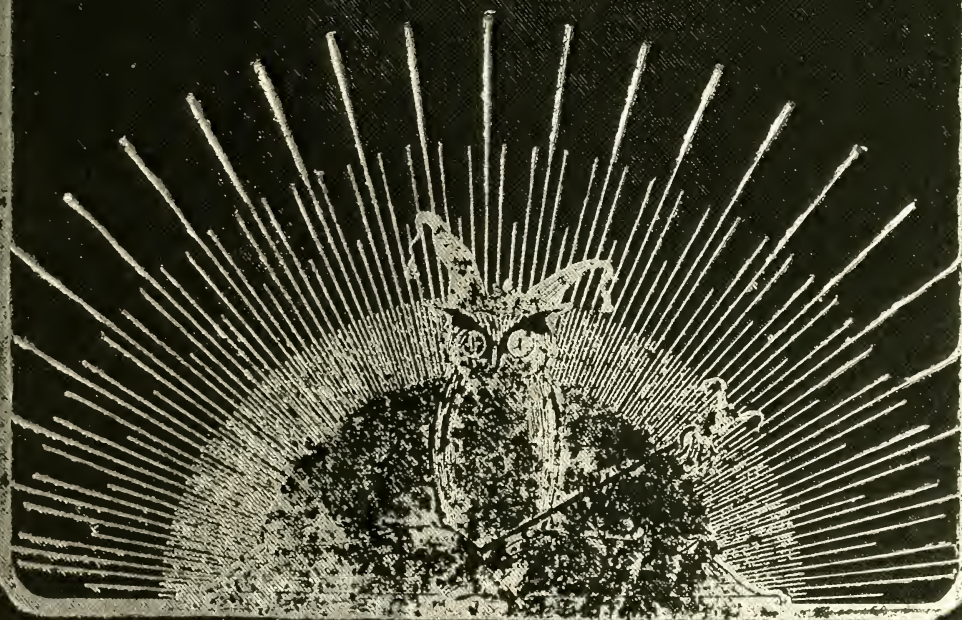


INSURANCE DEFINITIONS

By

IRVING WILLIAMS





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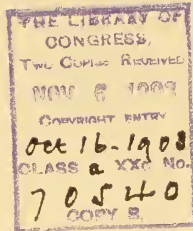
A SERIO-COMIC DICTIONARY
OF INSURANCE TERMS

B Y I R V I N G W I L L I A M S

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INTRODUCTION.

¶ The author of this volume of definitions has asked me to write an introductory note, and in doing this I am afforded much pleasure, inasmuch as he and the contemporary insurance press have so cleverly performed my task that I am left little more to say than, "here is the writer and here is the book." I must say, however, that "Insurance Definitions" were evolved after an effort on my part to encourage Mr. Williams to write for *ROUGH NOTES* and to "blaze" his way through the forest of insurance literature. But so doubtful was he of his own abilities that I felt compelled to bribe him by the offer of a certain sum for every article of his published in *ROUGH NOTES* that should be copied by any other contemporary journal or newspaper. That I was rash in making the offer was soon made apparent by way of quick recognition of their merit by the insurance press both in this country, Great Britain, and by many daily and weekly newspapers. This led to an effort to get even with Mr. Williams by reprinting his Definitions in book form, upon a basis satisfactory to him; and, should its sales correspond with the measure of kindness shown by contemporaries, he will be well repaid for the pains he has taken in the study of dry insurance terms which he has so embellished with humorous suggestions and so pointed with bright witticisms that they can not easily be forgotten. Believing that a book of insurance definitions is needed, especially by those not familiar with insurance terms and that "Insurance Definitions" will be enjoyed by all classes of underwriters, I heartily commend Mr. Williams and his book to the public.

H. C. MARTIN,

Editor of *ROUGH NOTES*.

INSURANCE DEFINITIONS

A

A ban ' don ment, n. [L. *ab* and *bandum*.] 1. The surrender of damaged property to the insurer by the insured. 2. A term more common in marine underwriting parlance than in fire underwriting, but still occasionally encountered in the latter. 3. The practice of abandonment eliminates much of the annoyance common to adjusting. The insurer takes its chances with the salvage.

Ac cu mu la ' tion, ac kiu miu la' shun, n. [L. *cumulous*.] 1. The surplus or balance, with interest increments, which remains of net premium payments on a policy after the expense and cost of carrying said policy have been satisfied. That sounds rather hazy, to tell the truth, and unless the investigator knew all about accumulations to begin with he would be up in the air, to use a classical expression, after reading it. To back out and get another start we would suggest that the "accumulation" on a policy is that amount of its value which is in excess of the actual cost of its board and keep up to the date of inquiry, including interest on said excess. That is to say: What is left of the premiums paid in, after the running expenses have been paid out. [To look at the word no one would imagine it would be so hard to define. In fact, it defines itself better than can be done with a multitude of words.] 2. Anyway an accumulation, as respecting an old-line life insurance policy, is a desirable decoration. The accumulations common to assessment policies are of a negative type as to virtue and a positive type as to disappointment. While an old-line policy is out accumulating a little surplus the assessment policy accumulates an extra assessment without half trying, etc. 3. The stuff that dividends are made of. 4. The barometrical in-

INSURANCE DEFINITIONS

dication of the status of the mortality experience, managerial economy, the rate of interest and the complexion of the company's invested securities. [Any other points which may have been omitted will be found in the errata volume, companion to this work.]

See Dividend and the nearest life insurance agent.

A cet' y lene, a set' i lene, n. [Choctaw *ahsawtawaha*, fire water.] 1. Chem.—A gaseous compound of carbon and hydrogen, two atoms to each, or, technically, two pair. It is colorless to the eye, but has a deep green smell easily detectible in the dark. It is commonly generated by bringing water in contact with calcium carbide. The latter is doubtless a Kentucky product, being greatly averse to water, behaving violently in its presence. 2. Acetylene is of interest to fire underwriters because of its growing popularity as an illuminant and means of destruction. It gives a clear white light by which even an illiterate man can readily discern the printed page and an uncultured man can catch an occasional scintillation from the lines of Browning, and as a means of destruction it is doing very nicely considering its youth and inexperience. 3. Underwriters are attempting to regulate the style of capsule in which this essence of earthquake and volcanic eruption shall be confined and devices which have run the gauntlet of their criticism are known as "approved." 4. Special care also has to be exercised to prevent too much calcium carbide from congregating in one place. Water adds fuel in case of such a fire, decreases the possible salvage and properly applied may effect a sudden and general distribution of said salvage over the world at large.

Act u' ary, akt' yu ary, n. [L. *actuarius*, one who keeps accounts.] 1. A mathematical acrobat. 2. The maker of the rate-tables and of all calculations touching the future mathematical expectations of his company. 3. Although an actuary becomes very familiar with complicated and abstruse mathematical propositions, the little problems of domestic life are as puzzling to him as to any other man. He can mount one side of a column of twelve figures as long as a piece of paper and come down the other with as much grace and ease as the ordinary man makes

INSURANCE DEFINITIONS

use of an elevator; but when it comes to figuring the distance from the front door at 1:00 a. m. to his bedroom at 1:15 a. m. he makes as much noise as a policy clerk. The tables of mortality, with their mountains of figures and their hieroglyphics and symbols, have no terror for him, but the breakfast table is approached, the morning after a night's research for ratios, with very human fear and trembling. 4. The actuary may be called the pilot of an insurance company. He lays out the course to be sailed. With precision he places on the chart the rocks which, through indiscretion, the management will discover. He calculates to a nicety just when each cargo—each separate class of risks—will arrive at that port which knows no outgoing craft, and shows, beyond question, just what the shrinkage will be. He might also be likened to a train dispatcher, but it is not necessary.

See Table of Rates, etc.

Ad di ' tion al, ad dish un al, a. [Math. addition.] 1. Added to; increased. 2. That which affects the original risk or contract by augmenting certain features. It may be in the way of additional insurance, additional hazard, additional charges and the like.

Compare Other Insurance.

Ad ja ' cent, a. [L. *adjacens*.] 1. Lying near or close to; in juxtaposition; contiguous. 2. Not necessarily touching or adjoining. One building may be adjacent to another and still leave enough room for a clear space clause and a well-developed family scrap to intervene. Adjacent structures, however, are generally near enough to partake of the nature of exposures. 3. A sufficient number of adjacencies taken in the aggregate make a neighborhood. Adjacencies are an important factor in home life. This will be observed quite emphatically where the atmosphere of said life is tainted with the aroma of an adjacent glue factory or the night hours are punctuated by the ten strikes and spares of an adjacent bowling alley. For the significance of adjacencies as affecting fire underwriting kindly and quietly refer to "exposure."

Compare Adjoining, Communicating.

Ad join ' ing, a. [L. *adtingo*, to unite; It. *aggiungere*; Sp. *ajuntar*; Fr. *adjoindre* (which graphically illustrates the uni-

INSURANCE DEFINITIONS

versality of language).] 1. Touching. 2. An absence of clear space. 3. Contiguous to. 4. The term "adjoining" is more restrictive, more exclusive, than "adjacent." [Consult same.] 5. Poetically speaking, two buildings are spoken of as adjoining when a heart to heart relationship exists between them. Underwriters regard such an intimacy with distrust and if there is no fire wall between the two or there are more than the regulation openings they are treated as one building and penalized accordingly in the rate. This is but right since many fireproof buildings have been damaged or destroyed by fires in adjoining fire-traps.

Ad just', v. t. 1. To ascertain the amount of loss sustained under an insurance policy in the event of the occurrence of the contingency or calamity insured against, and to determine the amount payable therefor.

Ad just' er, n. [Sp. *adjustar*.] 1. An insurance employe whose employers are best pleased when he is idle. 2. One who estimates the loss caused by a fire. 3. An adjuster, to be successful, must be courteous, diplomatic, shrewd, an expert jollier, of an equable temper, slow to anger, a Sherlock Holmes, up-to-date, good-looking, with honest blue eyes and a glad hand, a good memory, good cigars, business judgment, the embodiment of virtue and with a working knowledge of all evil. He must understand bookkeeping, banking, law and human nature. He must be a mind reader, a hypnotist and an athlete. He must have a knowledge of tongues like a Castle Garden interpreter and be as familiar with the dead languages as a college professor and know how to figure his expense account like a thirty-third degree wholesale drummer. He must be acquainted with machinery of all types and materials of all kinds and he must know the prices of everything from a shoe-string to a sky-scraper. He must have a keen sense of smell, clear eyesight, etc., etc.

"An insurance *adjuster* is one who stands between the assured and immediate wealth."—Bill Nye.

Ad mit' ted As' sets, n. 1. Those assets which measure up to the requirements of an insurance department, represent money

INSURANCE DEFINITIONS

and of which there can be no doubt. Real estate, cash, stocks, bonds, gilt-edged mortgages, outstanding premiums and other valid accounts come under this head. Companies are generally willing to admit the possession of such desirable attributes—in fact, it is sometimes necessary to check an impulsive institution which, in its enthusiasm, is willing to admit more than it possesses. The checking process is accomplished by means of an examination by some State insurance department. If it is discovered that an ebullition of spirits has resulted in a violation of better judgment and the facts it becomes quite embarrassing for the company. Companies have been known to be so chagrined by an exposure of this kind that they have ceased business, retired to some secluded spot and shuffled off their mortal coil. The heartless mind, not touched with the pathos of the tragedy, might be inclined to liken this to a “raw deal.”

Remember the Traders, N. Y., et al.

See Assets, Non-Admitted Assets.

Advance’, v. t. [It. *avanzare*.] 1. To boost. 2. To elevate. 3. To raise. 4. To increase, as “to advance rates.” 5. In fire underwriting the gravity of competition is continually at work on rates, pulling them down. The lads who have the job of holding them up against this force above the profit line gradually get weary and rates are allowed to sag until suddenly the stockholders discover that something is wrong and they raise Cain. Under this stimulation the rate holders boost them up again as high as they can reach. But if the stockholders raised Cain when the rates got too low it is not a circumstance to what the policyholders raise when they note the change. And thus it goes, the raising and declining, at regular intervals; which explains why the business of underwriting is viewed as a flowery bed of ease. When you wish to imagine something real cheerful shut one eye and think of the fire underwriter holding a fifty-pound rate up against a competition gravity of 500 pounds to the square inch, and, while thus pleasantly occupied, observe him being patted on the back by the stockholder and smashed in the face by the policyholder, or vice versa. No wonder you envy him. 6. In life insurance, rate fluctuations are less marked. Advances in “old line” companies come slowly but certainly year by year, with re-

INSURANCE DEFINITIONS

ductions in interest rates and the reduced earning power of money. In assessment insurance advances in rates come as certainly but more rapidly as the Nemesis of mortality overtakes the concern and lays bare the fallacy of "pocket reserve" and "cheap insurance" schemes. 7. To prepay, premiums.

Syn. Increase.

Ad'vance, n. 1. Increase. 2. A periodic remedy applied to the business of fire underwriting which is chronically subject to intermittent exuberance and depression. 3. The advance cure is applied when the business is enjoying one of its sinking spells by a sub-cutaneous injection of common-sense lymph into the rate system, under the exhilarating influence of which, new life is infused into the organism and it puts up a good imitation of vitality and change of heart until the intoxication of the advance wears off and a relapse into its old state of inertia necessitates another application.

Ad'vertise, ad'vertize, v. t. [*L. adverto*, to turn to.] 1. To call public attention to one's virtues or to another's faults. 2. To blow one's own horn. 3. A common practice among insurance companies for stimulating the growth of business. Advertising is either general or specific—general, when it is scattered promiscuously over the field by means of doses done up in newspapers, magazines, etc.; specific, when placed at the root of the individual prospect in the shape of testimonials, sample policies, blotters, calendars, cigars, candy for the kids, etc. 4. An advertisement to be effective should partake of the nature of a Jack-in-the-box. As soon as the page on which it appears is opened it should fly up in a friendly sort of way and rivet the attention of the reader. With all its impulsiveness, however, it must not be offensive and cause the reader to feel as if he had had his ear stepped upon by a man with hobnail boots. It must leave him with a smile upon his face or a comfortable wrinkle in his brain for future reference. Such advertisements are not common enough to cause one to refrain from looking through the pages of a magazine for fear his attention might become too perforated to hold water. 4. The striking characteristic of insurance advertisements is their native modesty. Figuratively speaking, one sees the shy little multi-millionaire

INSURANCE DEFINITIONS

company standing first on one foot and then on the other, chewing the corner of its apron and apologizing for such startling increases in assets, surplus, insurance in force and other filigree. 5. Insurance journalism is a result of insurance advertising, but that should not be charged up against it. (Which?)

A'gen cy, 1. Authority to represent another. 2. The place in which an agent transacts business. His office. 3. Zool.—The species insurance agent of the genus homo usually maintains two habitations, one for business and the other for domestic purposes—eating, sleeping and the raising of young. The former is known as the office or agency. As he is of a social disposition of the “misery loves company” type, the insurance agencies in any city are generally bunched together on a thoroughfare which is known as “the street.” An insurance agency can be easily picked out because of its weakness for signs, which are fearlessly displayed in all styles and enormities known to the sign-maker’s art. If it were not for insurance agencies and cigar horticulturists, sign makers would not all get rich.

See Office.

A'gent, a'jent, n. [L. *ago*.] 1. One who or that which acts for another. 2. The representative of an insurance company. 3. Technically, the points of contact with the public of a piece of insurance mechanism. 4. A bona fide agent should wear about his clothes, or over his desk in a gilt frame, a certificate of authority from his company. The value of such a document does not depend so much upon the amount of gold seal, Spencerian flourish or quality of sheepskin as upon the authenticity of the signature in the lower right-hand corner, no matter whether it can be read or not, just so it is genuine. 5. Agents are compensated by means of salaries, commissions, bonuses, loving cups, fountain pens, ink-stands, pen wipers, paper weights and other utilities. 6. Agents are common to all branches of underwriting and occur both male and female, though the former predominate—that is in numbers.

See General Agency, Local Agent, Resident Agent, Special Agent, Side Line Agent, etc.

“Remember that the world will judge

A company by its agent.

So never let a personal grudge

Disturb the mighty pageant.”

—From *Insurance Pleasantries*. (Page number torn off.)

INSURANCE DEFINITIONS

A gree'ment, n. [Fr. *agrement*.] 1. A state of accord; harmony; unison. 2. Something to come to. 3. The closing chapter of an appraisal. An agreement between appraisers is in the nature of a compromise as it is generally the result of concessions from the differing parties which are granted by one or the other until the two lines of interest coincide. 4. An agreement is the average of two degrees of stubbornness representing diverse interests. 5. Agreements are reached by means of argument, suavity, jollying, threats, moral suasion, coercion, bulldozing, tact, eloquence, sweetening, etc.; altogether the road is a precarious and uncertain thoroughfare and in the end may not lead to any agreement at all.

See Appraisal.

Al lot'ment, n. [Contraction of "a lot meant."] 1. A task given a life insurance agent. Usually a designated amount of insurance that he is expected to write and the percentage of collections he is expected to maintain during the year. 2. Allotments are usually built with an "excelsior" attachment and are designed to prevent the agent from being troubled with ennui. An agent who hopes to exceed his allotment will not have much time to put in at the corner drug store criticising the administration, or throwing for cigars. 3. Sometimes the filling of an allotment seemeth to be like unto the filling of a sieve with water—the which is no cinch. 4. Reasonably often an agent catches up with his allotment before the end of the year. This always shows as plainly on his face as a wart. Such an agent may be identified by a placid, self-contented, breathe-easy repose of the features and an absence of the wild, inquiring, hunted cast of the eye which is noticeable when his allotment still has a handicap of three laps. 5. The chasing of an allotment is like an Australian pursuit race with a time limit.

An'nex, n. [L. *annecto*, *annexus*, to bind up.] 1. A side issue imitation of an insurance company, quite popular with fire insurance companies in the era of greed for business that marked the close of the late lamented century. They are not worn much this winter. 2. They were invented to get business—the which they did; and the more they got the more the companies directly

INSURANCE DEFINITIONS

interested have since been kept busy dodging conflagrations, double liabilities, Miss Nemesis and receiverships. 3. When the fad struck, annexes were accepted as ornaments and some of the ultra-swell companies were not satisfied with just one lone annex, but, like the fair sex and the bangle bracelet craze which appeared somewhat contemporaneously, they loaded up. Annexes were discarded when it was discovered that their usefulness to a company was similar to that of an antequated tin receptacle to a brindle canine when attached to the extremity of his caudal appendage. Both would tend to convey the impression to the onlooker that something was doing, but the ultimate results did not justify much self-congratulation on the part of the aforesaid company more than on the part of the thereafter-mentioned canine.

"As a musical instrument an *annex* is more prone to produce dirges than harvest home melodies."—From *Chords and Discords*. Appendix.

An'nual State'ment, n. [L. *annus* and *status*.] 1. The perennial blossom appearing on the branches of an underwriting plant, usually early in January. 2. The number of leaves or petals is uncertain, generally greater in older and more vigorous plants. 3. Normally odorless, but occasionally a specimen is discovered which emits an offensive stench. Such cases receive prompt attention from the State botanist, who either cuts the plant back, repots it or digs it up altogether. 4. Large bouquets of these blossoms are collected each year at the State insurance conservatory, where they are inspected, pressed and placed on exhibition. 5. The entire force in a home office is exceedingly interested in nursing the annual statement bud into a well-developed and worthy flower. They often cheerfully sit up nights for several weeks at the close of the year for this purpose. When the critical hour arrives and the bloom bursts forth in the full effulgence of its beauty and fills the office with its radiant glory there is no false demonstration of joy. It is the real article. The blossom is carried tenderly to the president of the company, who, with the board of directors, examines each leaf for possible imperfections which may indicate a diseased condition of the plant. 6. Sometimes figuratively referred to as a "daisy." 7. Most companies also produce a mid-year bloom which is known as the semi-annual statement, but it is not as pretentious as the

INSURANCE DEFINITIONS

January product. These are collected only by the Georgia and Indiana State botanists.

"The nightless days have come again,
The longest of the year;
The sleepless *annual statement* days
We love, again are here."

From *Insurance Nursery Jingles*, Page 8740.

Annu'ity, n. [L. *annus*.] 1. In life insurance, a sum payable to a person annually, ordinarily for life. 2. An insurance pension. 3. An annuity is better than medical science, theoretical or practical, external or internal, for producing longevity. A generous application of annuity ointment to a supposed subject for an early grave has often resulted in an indefinite postponement of the last sad rites. The most plausible theory advanced as the reason of this effect of an annuity upon the human organism is that the establishment of an annuity relieves the system of the wear and tear resulting from worry. The annuitant becomes a calm, placid individual, with no anxious thought concerning the morrow, for he knows the insurance company will look after that for him. His face mellows into benignity; his body relaxes from the great strain which was slowly but certainly bending it to the snapping point; he begins to have time to look about him and discovers that this is not so bad an old world after all, and he decides to stay and see more of it, and the more he sees the more he wants to see until his acknowledged receipts get so numerous at the home office that they fill two pigeon holes with paper and the office with the belief that he is immortal. 5. If annuities should become very popular insurance companies would be forced to go out of business. 6. An annuity may be inherited through a beneficiary interest in a policy equipped with an annuity attachment or it may be acquired by the payment of a single premium. 7. The unpleasant side of an annuity is the sensation that there is some one, a cold, heartless corporation, that will be really pleased to hear of the holder's departure from this vale of tears.

See Rejected Risk.

"The doctor said he'd live a year—
He named one as the limit.
The doctor long since left the world
But his patient still is in it.
An *annuity* and six bottles of——did it."

Note to patent medicine advertisers.—The blank space left in the last line will be sold to the graft bidding highest. All bids must be accompanied with the names of three or more publishers as references.

INSURANCE DEFINITIONS

A part 'ment House, n. See Flat Building.

Ap 'pli cant, ap' li kant, n. [Unfortunately we can not give the derivation as our Greek type is pied with a font of Chinese type and a pound of ten-penny nails.] 1. A misnomer as used in life insurance phraseology. "Applicant" implies voluntary seeking. Few life insurance agents have been compelled to climb a tree to escape the pressure of an eager, surging mob of applicants. On the contrary, it is often reported that some so-called "applicant" has been discovered in a tree-top or behind the safe, where he modestly retired to escape—beg pardon—to avoid disappointing a large number of life insurance agents who happened to drop in simultaneously. In time possibly the term will be changed to "the persuaded," "the induced," "the allured," or "the prevailed upon." Or, more likely, the wisdom of taking life insurance will dawn upon the enlightened human intellect and the buyers of life insurance will become "applicants" in spirit as well as in name.

"An agent went, an *applicant*, to see
But found that 'devil' an applicant was he."
—*Anonymous.*

Ap pli ca' tion, ap pli ka' shun, n. 1. A document wearing the autograph of an applicant. 2. When it comes to autograph collections of this kind the life insurance agent is a fiend. The blank application may be a pretty piece of work typographically, but as long as it is blank its aesthetic beauty does not appeal to the agent. He will carry bunches of them around carelessly in his off-side pocket with other incumbrances, but as soon as one is made the repository of the "John Henry" of a good, husky-looking applicant, its merit becomes apparent. The excellency of the chirography is of no consideration, but the application's attractiveness is measured by the cash amount appearing in the blank space left for that purpose. When it is signed the agent wears it in his inside pocket as near as possible to the region supposed to be occupied by the heart. 3. An application is said to have "gone through" when it and its signer have run the gauntlet of doctors, inspectors and rejectors who stand as an eternal barrier between the agent and opulence. 4. An application for a life insurance pol-

INSURANCE DEFINITIONS

icy contains the most cheerful set of personal questions to be found, probably, outside a witness stand or the confessional, and the victim is continually reminded that the company is suspicious of his honesty and that if he attempts any fictitious liberties with his family history or coyly understates his age or modestly withholds any incriminating secret or attempts in any way to deceive, falsify, commit perjury or tell a lie he will die in vain, for the application becomes a warranty and a part of the policy.

See Applicant.

Ap por'tion ment, n. 1. A term, common in loss settlements, where two or more companies are involved, meaning the proper division of the amount to be paid in settlement among the companies interested. 2. In such cases the companies exhibit their good training by strenuously refusing to accept more than their share. 3. The apportionment of a loss when a large number of companies is interested and a difference in policy forms is discovered is no holiday pastime. "There is more than one way to kill a cat," or words to that or some other effect, as Cæsar or some other humorist once feelingly remarked upon some occasion or other, and there is also more than one rule for arriving at an apportionment. Consequently when five and twenty different adjusters for different companies each use a different rule and naturally arrive at different conclusions, none of which is to be considered for a moment by any individual adjuster, except the one which he obtained, there is a great demand for patience, diplomacy, cracked ice and its communications, besides other things internal, external and infernal—all of which goes to prove that there should be but one standard rule of apportionment.

Compare Contribution.

Ap prais'al,
Ap prais' ment, n. 1. Act of appraising; valuation.

Ap praise', v. t. [L. *ad*, to, and *pretium*, a price, i. e. to set a price to.] 1. To determine upon values destroyed by fire. 2. To reconstruct in imagination an edifice and its contents from a heap of ashes.

Ap prais'er, ap praz'er, n. [Old Fr. *appreisour*.] 1. One

INSURANCE DEFINITIONS

who estimates values destroyed by fire. 2. A professional appraiser becomes very expert. He can stand on the blackened walls of a cellar, view the two wagon loads of ashes it contains and then make out an itemized statement of the building and its contents before the fire. A little pile of ashes which would mean nothing to one of the common herd but soiled hands, a spoiled shine and a job for a whisk-broom with a colored porter attached to it would be recognized by him as the remnant of a pair of portieres, worth \$3.21 at the time of the fire, the charred memento of an imitation mahogany center table, worth \$10.00 new, or some other piece of bric-a-brac. 3. To be a success as an appraiser one should not be overstocked with faith in his fellow-men or with a sympathetic nature. He must remember that the insurance companies do not attempt to settle losses on the basis of love and affection, but upon market values. 4. The standard form of insurance policy provides for three appraisers—one to be selected by the company, one by the assured and the third by these two. The assured usually evinces his true American generosity by offering to save the company trouble and select all three himself. Though the company appreciates this delicate expression of tender regard, it quite often declines his offer—yes, quite often.

"Before the trained eye of the *appraiser*, the sheltering walls rose phoenix-like from their ashes, the charred embers took, etc."

—From *Underwriting Fancies*. Page 63.

Ar / bi trate, v. t. [L. *arbitor*, to judge.] 1. To settle a dispute in the adjustment of a fire loss by submission to arbiters.

Ar bi tra' tion, n. [L. *arbitor*, to judge.] 1. A means of settlement of a controversy in a loss adjustment by submitting the question to one or more persons known as arbitrators. An arbitration is usually the last act to an insurance melodrama. The plot has gradually thickened to such an unmanageable consistency that none of the stars who appeared in the first acts are able to extricate themselves with honor and dignity. They become heated through much discussion and, in some productions of life and action, they have addressed each other in endearing terms, called each other blessed and frolicked over each other in such an irrepressible and astonishing manner and with such startling conse-

INSURANCE DEFINITIONS

quences to each other's style of beauty that they have to be removed for repairs. It is then that the arbitrators appear with solemn music and an automatic expense account. After much consideration a result is generally reached which convinces one side of their wisdom and the other of their glaring ignorance. 2. An arbitration, to be a success, must be bilateral to begin with and unilateral at the close. 3. Though the result of an arbitration is generally accepted as final, some cases engage later in a continuous performance in the courts.

See Adjustment.

A'rea, n. 1. Floor space of a building in square feet. The ground floor area is ascertained and this, graduated according to the number of stories, determines the charge. This is not a case of "the higher the fewer," but "the more the higher." 2. To determine the area of a floor borrow a tape measure and ascertain the length of each wall (inside measurement) in feet and inches. Then if your room is rectangular multiply the length by the width or vice versa, and you have it, providing your mathematics is in tune. But if your room is triangular, rhomboidal, pentagonal, hexagonal, septangular, spheroidal, plantaganet, a conic section, a hyperbolic parabola or a Wagnerian rhapsody, you'd better ask your son or some one else more intimately in touch with the distress signals. 3. As an architectural feature unbroken area can be overdone from an insurance standpoint. It is all very well for the architect to show his ability to roof over a quarter section of land by ingenious manipulation of arches, trusses and spans so that no supports from below are necessary to sustain the structure, but the achievement fails to appeal to the underwriter, who imagines the free abandon with which flames would frolic therein. To suit him it must be cut up by fire-wall partitions.

Ar'son, n. [L. *ardeo*, to burn.] 1. The act of voluntarily and maliciously burning the property of another. 2. The term is adopting expansion ideas and often refers to a similar performance where the property belongs to the arsonist. When arson is of a personal nature it is commonly the result of an ungovernable desire to accumulate immediate wealth by realizing upon insur-

INSURANCE DEFINITIONS

ance policies. 3. Though arson can hardly be classed as an art—a fine art—it is a subject that will bear considerable study by the novice before he can become adept. There are no schools where the science is taught and the student must struggle along as best he can with whatever crude instruments he may have and stray bits of information he may pick up. Then, too, his experiments generally attract considerable embarrassing attention and adverse criticism, which is very annoying, for, as a class, students in arson are naturally diffident, retiring (three steps at a time), sensitive and easily discouraged. Often a tall, slim complected arson sophomore has voluntarily abandoned a special experiment just because one or two curious individuals showed an interest in his preparations. There is no doubt but many wonderful discoveries have thus been prevented which would have illumined whole communities and brightened lives which were plunged in darkness, etc. The abnormal modesty peculiar to this study induces one who practices it to feel best satisfied when he receives no credit—he even is willing that some one else may take his laurels. A complete experimental laboratory contains, among other things, kerosene, gasoline, benzine, turpentine, oiled waste, noiseless matches, a dark lantern, over-insurance, a dark night and an alibi. 4. Some States show their good spirit towards such educational pursuits by encouraging arson with valued-policy laws. 5. Though it is not overcrowded as a profession, most of the good places are taken (for from two to fourteen years). Some men who are busy during the day study arson at night.

Compare Incendiarism.

See Fire-Bug, Incendiary, Pyro Maniac.

Assess' ment, n. 1. Comprehensively, an allotment to be raised on the call of the officials of an assessment association, a fraternal order or a mutual benefit society. 2. Restrictively, the amount pro rata each individual in an organization is expected to contribute upon occasion of one of the aforesaid calls. 3. Also refers to the chief end of members of mutual fire organizations. 4. One thing in which growth is not a virtue. A man may brag of the remarkable development of his son, or the luxuriant aspirations of his cabbage plants or the growth of his bank account, his business, his mustache or his circle of friendship; but he does

INSURANCE DEFINITIONS

not note with pleasure growth tendencies in an assessment if he is afflicted with such a weakness. An assessment which has been jogging along at a bi-monthly rate and suddenly shows symptoms of calling oftener, or maybe not oftener, but louder, should be viewed with suspicion. 5. The only specific for a growing assessment is amputation. 6. If there is anything above all others that the average American citizen dislikes to pay it is an assessment levied by the receiver of a defunct mutual fire insurance company. The courts, however, gleefully back the receiver.

"The older he grew the larger it grew

Until it came to a showing.

There was one thing to do—he wisely withdrew

But the assessment kept on growing."

From Assessmentism and other Jackessmentisms.
Page 8.

As sess' ment ism, as sess' ment ism, n. 1. A term commonly applied to a fallacious system of life insurance which thrived in the United States during the last quarter of the nineteenth century. Through skillfully working upon the credulity of the people, its promoters wrote a vast amount of this imitation insurance, but the failure of the principles to work out as was promised brought ultimate ruin, and, where assessmentism once spread as a mantle, it now exists only in spots. Its promoters based their hopes on the well-known fact that a "sucker is born every minute," but they discovered that this was not fast enough for their purposes. 2. Assessmentism is otherwise known as the pocket-reserve system. This has an alluring sound, but, as an available asset, it has been passed up as worthless because it is so hopelessly hard to collect. 3. Diametrically opposed to "old-line," or legal-reserve, insurance.

See Fraternalism, Socialism, Buncoism.

As'sets, n. pl. [Fr. *assez*, enough.] 1. The financial resources of an insurance company. 2. The sine qua non, the bone and sinew of an underwriting organization. 3. That characteristic of an insurance company which is encouraged in every possible way. 4. Some companies are born without assets; this they soon discover to have been a serious oversight on their part. A company without assets is like a yellow pup without a license—

INSURANCE DEFINITIONS

both are liable to be legally curtailed at any moment (not meant to be humorous, but pathetic). 5. More assets, like other desirable financial attributes, may be acquired by patience and "never to bed and early to rise" methods. 6. Scientific—Assets represent the centrifugal force of the underwriting realm, acting against liabilities, the centripetal. An unbalancing of these forces would bring immediate disaster. If it were all assets and no liabilities, the company would, without doubt, fly off into some extraditable place, possibly accompanied by the president and the cashier; but if it were all liabilities and no assets, it would immediately gravitate to the center of destruction accompanied by a receiver and a dull and sickening thud.

See Admitted Assets, Unadmitted Assets, Liabilities.

"An' 'twere, methinks, a wild-cat for, forsooth,
Its *assets* were a desk, a broom
And libels on the truth."

—From *The King of the Kaw*, Act VII, Scene 2.

Assignee, as *sin e'*, n. [*L. assigno.*] 1. One to whom a policy or an interest therein is assigned or transferred. 2. In sales of real estate the purchaser becomes the assignee of the fire insurance policy; in cases of financial embarrassment, the relief party becomes the assignee of the life insurance policy; in times of political adversity and uncertainty, the ward heelers, colonizers and boodle dispensers become the assignees of the officeholder's administrative policy. 3. An assignee should have an insurable interest in the policy assigned. It behooves an assignee to assure himself of his claim to the title, for so-called assignees have been known to awake to the fact that they had merely been holding an empty bag while the supposed contents were vested in another. Not only vested, but shirted, coated and overcoated in another and the so-called assignee did not hold so much as a shoe-string title to the proceeds of the policy. 4. A person becomes an assignee by having his or her name written in the proper place on a policy when the weather is favorable for such an arrangement.

See Beneficiary, Insurable Interest.

Assignment, as *sine' ment*, n. [*L. assigno.*] 1. The act of transferring one's interest in an insurance policy to another.

INSURANCE DEFINITIONS

2. A transaction common in fire underwriting. If property is sold or otherwise disposed of an assignment is necessary. It is a simple matter and consists of scratching the back of the policy in an intelligent and legible manner with a pen—the pen should be dipped in ink prior to the scratching. Then if the company whose name appears on the policy has no objection to the assignee, political or otherwise, the policy continues to furnish the same brand of indemnity until it dies a natural death. 3. In life insurance the assignment of a policy is not always such an easy matter. Generally the beneficiary is reluctant to relinquish an interest in a nice promising futurity. Sufficient pressure may be brought to bear, however, to cause a reluctant consent; but, even then, it is found in some States that the statutory condition of the climate is such that assignments will not fructify when the beneficiary is the wife of the assured. An effort to dispose of an interest in a life policy under such conditions is similar to the fruitless endeavors one may put forth to estrange the affections and presence of a family cat. Those who have ridden across three counties in the dark of the moon and distributed a loving tabby athwart the midnight landscape in the fond hope that there would be no more grand operas under their windows and have found said tabby basking before the kitchen fire upon their return home, can appreciate this simile. It will hardly be worth while, however, for those to make the experiment who are not already wise by experience.

See Beneficiary, Assignee.

As so ci a' tion, as so si a' shun, n. I. 1. An organization of insurance men formed for mutual protection, sympathetic intercourse and an interchange of ideas and experience. 2. A harmless society of underwriters often mistaken by outsiders for a trust.

See Board.

II. See Fraternal Association.

As sur' ance, as shur' ans, n. [Low L. *assecurus*.] 1. An agreement to furnish indemnity. 2. Formerly restricted to indemnity for life contingencies, but now common enough in the land of the Stars and Stripes not to cause comment when used.

INSURANCE DEFINITIONS

It has been made to feel at home by a number of companies who have incorporated it in their names. This proves that the difference is not due to climatic conditions, as some word horticulturists have claimed. 3. Whether called assurance or insurance, the standard variety has always been found a balm for human woe in its various forms.

Syn. Insurance.

"Assurance may be such in name

Though not, in practice, worth a blame

Assurance that assures indeed,—

That, only, should a wise man heed."

*From Assurance, with or without. A Homily.
Thirteenthly.*

As sure', v. t. See Insure.

As sured', n. See Insured.

Au to mat'ic, [From two groups of Greek microbes meaning self and to seek or strive.] 1. Self-acting. 2. Due for a certain stunt under proper conditions regardless of human agencies. 3. It is a term of significance in fire underwriting nomenclature because of the many devices and equipments for discouraging fire or its progress which get into action under the influence of a rising temperature. In point consider: Automatic sprinklers, automatic fire-doors, shutters, alarms, expense accounts, etc., etc. This feature is effected by use of links or keys of metal, fusible under very low temperatures, and which, upon melting, release the eager watch-dogs, the guardians of public weal, that are ever straining at their bonds in their tireless passion to be at the throat of the devouring fire element the instant it appears. [This beautiful and thrilling gem of rhetorical excellence is generously contributed by the lexicographer without extra charge or further apology.] It might be appropriately noted that the aforesaid figurative watch-dogs partake of the nature of the literal type in a somewhat noticeable propensity for mistakes and over-zeal. Watch-dogs have been known to abstract mementoes from the calves of their owner's legs—sprinklers and such have been known to become panic-stricken upon most unseemly and unnecessary occasions, making it necessary to call a successful bargain sale off in the third round and issue rain checks at the

INSURANCE DEFINITIONS

door. 4. A sensitive automatic device is like a sensitive woman and that's all anybody knows about either.

See Sprinkler equipment et al.

Av' er age Clause, av' er age claws, n. [Low L. *averagium*; ordinary L. *clausula*.] 1. A clause which is attached to a policy that covers property in various localities and by which the liability for a loss on any one piece is limited to that proportion of the loss which the piece damaged bears to the whole amount covered. 2. A safety attachment to prevent comprehensive policies from resulting in comprehensive losses. 3. Med:—A preventative external application which is prescribed in cases where a policy shows symptoms of developing a loss of inordinate corpulence. It much resembles a piece of paper—one side bears cabalistic terms and expressions of a decisive nature and the other side is blank. Along one edge of the plain surface a narrow strip of defunct equine essence or some other adhesive, but less aromatic mixture, is applied, by which the clause is then attached to the policy. Average clauses should be applied to the face of the policy and care should be exercised to avoid jumping a claim already staked out (these medical terms are common to gold fever cases) by some other variety of clause or typographical treatment.

See Blanket policy.

A ward', n. [Low L. *awardo*.] 1. That amount which is given by appraisers as the loss by fire. 2. An award of this kind is seldom equally agreeable to both parties. It does not pay an award to be sensitive and to feel pained when it discovers that it has not won universal approval. Generally the tastes of the parties belli are so diametrically opposed that the most accommodating award that ever rose phoenix-like from ashes could never hope to please both. One may like a nice, fat award, while the other prefers a lean one with a hollow chest and a death rattle; the one favors an award with a good figure while the other says, "The less figure the better." These inharmonious tastes sometimes flatly refuse to adopt unanimously the award with which the appraisers have presented them and then, all precedents and promises to the contrary notwithstanding, the unfortunate little

INSURANCE DEFINITIONS

orphan is hauled into the courts and public notice. 3. Under a microscope of ten-horse power an award looks like a piece of mosaic or a crazy-quilt; for its construction is accomplished by so many additions, subtractions, cuttings, paddings, shavings, scrapings, squeezings, twistings, pullings, etc., that the original proposition is almost entirely eliminated in the end.

See Appraiser.

"So what's the use for an *award* to try
To please two masters, no not I,
The one may growl, but the other smiles—"

—From *Insurance Jingles*. V. 18.

B

Bank ' rupt cy, n. See Failure.

Ba ' sis - Rate, n. [A Græco-Roman combination.] 1. The rate according to a schedule on a standard building in a standard city. It is like the fourth and fifth dimensions in higher mathematics—no one ever saw one, but by a contortion of the imagination a mental conception of something is formed that feels as if it might be it. 2. The foundation on which the rate structure is erected. The style this season is to build the basis-rate high enough to raise the completed rate above the miasmatic vapors which have caused such havoc among fire insurance companies in the past decade. The prospects are that basis-rates will have to be built still higher by several rows of bricks. Property-owners are positive that such changes do not add to the beauty of the structure. The measure of their protest can be estimated by multiplying the increase in the basis-rate by the deficiency in the fire department and dividing the product by the pounds pressure under which the watermain will burst.

See Schedule.

"Why gaze with yearning eye aloft
At underwriting profit roost?
Just land your toe beneath, full soft,
And give the *basis-rate* a boost."

—Anon. Page 6.

Ben e fi ' cial As so ci a ' tion, n. 1. An association formed for the mutual protection of its members against ills common to

INSURANCE DEFINITIONS

humanity, but which generally develops ills and disappointments within itself greater than those against which it was formed.

See Fraternal Association.

Benefi'ciary, ben e fish' ya re, n. [L. *bene*, good; *facio*, to do.] 1. The person or estate to whom a life insurance policy is made payable. 2. To be a beneficiary one must have an insurable interest in the life of the insured. 3. Being a beneficiary to a large extent has been known to blunt the keen edge of grief. If a *cross-grained old pirate who has been running his home-sweet-home like a slave ship dies, leaving a number of life insurance policies as a solace to the bereaved family, the beneficiaries sometimes are not able to put up even a cheap imitation of respectable woe. If they do shed tears a chemical analysis would not reveal an abundance of salt, which predominates, of course, in genuine lachromose manifestations of "bitter" sorrow. 4. The changing of beneficiaries is an important feature of the business and is often provided for in the contract. In some States, however, such transactions are prohibited where the beneficiary is the wife of the insured, and no matter if he discovers positively that his acceptance of her as his supposed spare-rib was a case of mistaken identity, he has the choice only of continuing the policy for her benefit or lapsing it to the company's profit.

See Insurable Interest.

Bind, v. t. [Gothic *binden*.] To agree to insure. To make a temporary insurance contract until the policy, in all its dignity and Spencerian flourish, can be prepared.

Bind'er, n. [Gothic *binden*.] 1. A temporary insurance contract in anticipation of the real article. An agreement to issue a policy which gives insurance until the property is regularly insured. 2. Though a binder is not as imposing a contract as a full-fledged policy, the brand of indemnity it furnishes is

*The "Prudential Weekly Record" takes exceptions to this in that "cross-grained old pirates" do not exhibit signs of domestic solicitude in the way of insurance. In explanation, the lexicographer admits that this is merely an imaginative case for poetic effect.

INSURANCE DEFINITIONS

just as good while it lasts. 3. It might be apropos to remark in passing that a binder of this kind is not similar to the binders one would find in a harvest field, and the two should not be confused. As a furnisher of indemnity against fire the latter would not prove to be a success. 4. There are also other kinds of binders, such as bookbinders, highbinders, etc., but it is not within the province of an insurance dictionary to define them. 5. Binders usually operate over night and are resorted to by the agent when it is too late to get at his policies, which would be kept in his time-lock safe—if he had one. A binder is a good thing to hold a man off with while the agent steps out the back way to see if his credit is good; or to see if he has a mine set under the property in question which is to be touched off as soon as the policy is written and delivered. 5. A binder looks after the premises while the details of the contract are being determined. 6. The binder is the lad who holds the horse while the trade is being made.

Blank, *blanque*, n. [*It. bianco.*] 1. An incomplete insurance form or contract, printed and containing spaces to be filled in with names, dates, amounts, etc., as individual cases may require. Note.—If, in filling in the aforesaid names, dates, amounts, etc., the agent's pen happens to trip over a rough place in the paper and spills a few streaks of ink across its virgin surface the document is then called a blank, blank, blankety blank. 3. Blanks are as various in form and purpose as the exigencies of the business require. As the said exigencies are quite versatile there are numerous styles of blanks. There are blank policies, blank daily reports, mortgage blanks, dwelling house blanks, permit blanks, blanks for various forms, receipt blanks, etc., etc. 4. The companies furnish the blank policies, daily report blanks and, erratically, some of the others while the agent makes good the deficiency and glad the local printer. It can be shown conclusively by the United States Census Report for 1900 that the universal affluence commonly noticed among job printers and publishers is due to the printing of blanks for local insurance agents.

See Supplies, etc.

"Neatly arranged in a fire proof safe I saw several styles of insurance blank forms."

—From *Insurance Fairy Tales*. Page 11.

INSURANCE DEFINITIONS

Blank'et Pol'icy, n. [Fr. *blanchet*; It. *polizza*.] 1. A non-specific policy. 2. A comprehensive policy. 3. A policy which covers two or more pieces of property, naming but one amount for the whole aggregation. 4. Blanket policies are more popular with the assured than with the companies. They much resemble a poor rule in that they do not work both ways to equal advantage. 5. A policy on a livery stable which covers vehicles, horses, currycombs, hay, oats, the moral hazard and other impedimenta is technically termed a horse blanket policy. 6. Charity is credited with covering a multitude of sins—in this particular it might be said to correspond to a blanket policy, but otherwise they are readily identified, the one from the other. 7. A blanket policy, in appearance, conforms to the general run of policies, being set forth on a piece of paper. It would therefore not be conspicuously serviceable as a solitary means of protection against an adult Alaskan midwinter blizzard. In this the name is slightly misleading.

See Non-Specific.

"A *blanket policy* names but one amount on the entire risk, even though the various objects, classes or divisions be wholly detached and unexposed to each other."—From *Right to the Point*. Page 20.

Block, blok, n. [Dut., Ger. and Sw. *block*.] 1. A large building of two or more stories built of brick or stone. Generally occupied for mercantile, manufacturing or office purposes, though quite commonly subverted to domestic uses. 2. In placing insurance on a block or for any tenant of a block, the entire occupancy must be taken into consideration. 3. Blocks are usually found where land is valuable, the more valuable the taller the crop. Not necessarily fertile land, for some of the highest blocks in the country have been raised successfully on ground that was agriculturally worthless. Swampy ground in Chicago that was only half made when nature gave up the job has, under proper encouragement, produced some of the tallest blocks in history. Still it takes something more than a peat marsh and a yearning desire to raise blocks. 4. Blocks are common to congested districts, their rectangular style of construction permitting them to flock with exceeding economy as to space. The height of blocks used to be limited only by the blue sky, but many cities have passed building ordinances which have cut them down below the

INSURANCE DEFINITIONS

snow line. In New York and Chicago, tenants upon the upper floors of most of the highest blocks escape the annoyance attendant upon the rarefaction of the atmosphere by the use of devices charged with liquid air. 5. Block also is used as a synonym of square, signifying a group of buildings, ordinarily a unit bounded by four streets. 6. Block likewise has a pleasant association with stocks, a block of stock signifying a number of shares.

See Building.

Blot ' ter, n. [Gothic *blauthjan*.] 1. A piece of absorbent paper used for advertising purposes by insurance companies. One side modestly announces that the company which propagated it has only \$6,843,289 between it and the poorhouse, has bought \$8,932,563,284 worth of ashes on which it is unable to realize and will the kind public please contribute a few premiums and old clothes or other discarded luxuries towards its immediate support. The reverse side is left blank, as are also the edges. 2. Blotters come in all sizes from the diminutive proportions common to postage stamps (?) up to the pretentious variety which is able to tuck its wings comfortably into the corner pockets of a two by twice desk pad. 3. Blotters and calendars are the Dunn and Bradstreet of insurance companies in the judgment of the small boy. 4. Blotters are excellent canvassing documents. Few people refuse them, though it is not likely many recipients sit up nights to read them. Still people have been known to call at an agent's office voluntarily and ask for a few copies of his latest edition of blotters. This always cheers up the agent and gives him a new interest in life. [Absorbing though this subject may be, the foregoing must suffice.] 5. P. S.—Blotters are also used for absorbing the surplus ink on a freshly written page, also for picking up a smear of mucilage newly spilt upon one's mahogany top desk, etc., etc.

See Supplies.

"Do you keep *blotters*, sir?" she asked sweetly.

"Ah, no, pretty maid, not to-day,

Of a truth, though," he said quite discreetly,

"We don't keep them, we give them away."

—From *Akesenpaigns*. V. 17.

Board, bored, n. [Gothic *baurd*.] 1. An organization or

INSURANCE DEFINITIONS

local association of agents or representatives of fire insurance companies, designed for the purpose of maintaining uniform rates and correct practices. 2. A secret society of the beneficial type, limited exclusively to fire insurance men, branch lodges of which are found in many of our larger cities. The guarded secrecy of board meetings in some communities has led a suspicious populace, encouraged by a zealous press, to regard insurance boards as an attack upon the inherent right of man to know his neighbor's business, and as a menace to the foundations of free and untrammelled citizenship. When a loyal tax and premium payer discovers that one of these nefarious organizations is in secret session and he stringhalts up to the closed door of their lair like a cat stepping through wet grass and applies his good eye to the keyhole only to learn that some foresighted member on the other side has hung his coat on the door knob, he is justified in protesting and in flocking together and legislating against such evident plots aimed at the safety of the republic. Of course, none but the initiated knows what happens on the other side of the door, and it is not the purpose of a standard and authoritative work of this kind to surmise on such an important subject. The offer of a tempting bribe, the giving of the distress signal, which the lexicographer learned by accident (uninsured), all have thus far failed to break down the integrity of any board member we have approached and to cause him to reveal the pass words, signs, secrets, laws, by-laws and regulations of his lodge. We are almost inclined to raise our bid from three for a quarter brand to ten-cent straights. 4. Boards are not found in some climates for legislative reasons. 5. Boards are supported by assessments and fines. So far as known, Carnegie never endowed an insurance board. Maybe he is waiting to be asked.

Syn. Compact.

See Association.

Board Rules, bored rules, n. [Idiom. U. S.] 1. Rules governing a rating board. 2. An extremely delicate and fragile commodity is a board rule—so easily broken. Such carelessness is penalized and it usually costs a member more to break one than it does to drop a cut glass punch bowl or to break a jardiniere or a promise to his wife—no! no! hardly! But anyway, he has to

INSURANCE DEFINITIONS

put up enough if it is discovered that he has dropped a rate on the rules and cracked them, bumped them with a rebate meat ax or otherwise marred or disfigured their style of beauty. 3. Broken board rules are useless, but they can be patched up again to be almost as good as new if the guilty agent is willing to do his share towards restoration. 4. Agents sometimes feel that when board rules are made they are cut entirely across the grain. [Key to this alleged witticism will be furnished with one year's prepaid subscription to "Rough Notes."]

"*Board rules* are the safeguard of uniformity, unanimity, conformity and a number of other large words equally as commendable." From *Insurance Maxims*. Page 1.

Bo'nus, n. [A naturalized Latin word meaning "good."] 1. A cash reward given the representative of a life insurance company who has written a stipulated amount of business in a given time. 2. Bonus may mean "good," but its goodness is not of the unmitigated variety. The profiting agent appreciates its fine points when he cashes the consequent check, but the business in general has found it somewhat in the nature of a discolored optic. [Med.] It puts a premium on rebating. The agent notices the emaciated condition of his calendar pad with the waning of the year; he also notices that a few thousand more are necessary to qualify him for his bonus. Since one and one make two he can hardly be blamed for starting out on a tour of philanthropy, exchanging policies for applications until he has enough to make good. 3. The popularity of this brand of stimulant for business some years ago led many prominent citizens to acquire the habit of loading up on Christmas gift insurance every December, carrying large amounts at almost no cost. The companies have been waking up and find that there is a "next day" to bonuses, just as there is to champagne, bourbon and other stimulants.

See Gift Insurance.

Brok'er, n. [A. S. *brucan*.] 1. One who negotiates the placing of insurance, representing the assured. 2. A free lance. 3. The broker goes on the principle of "first catch your hare." He will browse around until he bags a few lines which are not covered to the limit and then he peddles them to companies which may want a mess. On some days, especially when the weather is

INSURANCE DEFINITIONS

good and the companies' regular agents have been pretty successful themselves, he finds the market poor and he has to dispose of them wherever he can. In such cases he often makes trades with concerns whose credit is not A1. Some immense lines are handled exclusively by brokers—notably railroad and trust properties. This leads to the writing of considerable business over the heads of local agents—they have been known to speak of it in meetings of their associations. 4. Brokers occur both in fire and life underwriting; but if the regular agents had their way they would soon be where the woodbine twineth, wherever that may be.

Buck 'et-Bri gade ' , n. [Provincialism.] 1. A string of hysterical men, women and children which passes a line of buckets from a cistern to a fire. Some of the buckets may contain water when they reach the devouring element, part of which is dashed in the faces of the bystanders and the remainder is ruthlessly cast on the flames. 2. An organized riot which occurs contemporaneously with a village fire. The fire is usually the cause; the bucket-brigade, the effect. 3. Bucket-brigades often have a really very discouraging effect on fires. It is not so much the water that is thrown which accomplishes this result as the depressing hostility by which the flames are met on every side. A little, new-born blaze wakes up in a barn late at night and begins to take an interest in its surroundings. It hardly gets a taste of the hay, which it finds so palatable, when it is rudely startled by the clangor of a bell and yelps of "Fire! Fire!!" It soon finds itself surrounded by a wild, glaring mob of angry faces and it is rudely sprinkled with chilling spurts of water. It quickly sickens because of this cold reception and dies of a broken heart.

See Water Supply.

"Never heeding the cabbage patch,
Tramping the onion bed,
Down through Sy's garden
Rushed the *bucket-brigade*."

—From *The Charge of the Bucket-Brigade*. St. 6.

Build'er's Risk, bild' er's risque, n. 1. A building in course of construction on which insurance is carried either in the name of the owner or the contractor or both, with the "as his in-

INSURANCE DEFINITIONS

terest may appear" feature attached. It is written at short rates from one to six months. 2. The loss on such a policy is determined by the amount of work and material that has entered into the structure at the time of the fire. This is figured by ascertaining and valuing the number of feet of lumber, the number of bricks, the number of hods of "mort" that have been carried, the number of steps which the gentlemen carrying said hods have taken, the number of nails that have been driven, the number of licks to drive said nails, with a few other details, increased by 10 or more per cent. as an allowance for waste. (This explicit and lucid rule for determining the value of a building under construction will be found in no other standard insurance work extant or otherwise and should be duly appreciated and memorized.) 2. Also builders' hazard, signifying the increased hazard attendant upon the making of repairs and improvements.

Build' ing, bild' ing, n. [Ger. *bilden*.] 1. A structure. 2. An edifice. 3. A systematically, premeditated arrangement of materials to form a protection from the elements, public inquisitiveness, book agents, insura—no, collectors, et al. 4. Zool.—The abode or nest of the genus homo. Many different varieties have been found in the United States within the past few years. The more common type consists of neatly fashioned strips of wood adroitly pinned together with bits of metal. The interior is divided into cells smoothly daubed with a pasty composition which hardens rapidly (unless you want to move in right away). The exterior is often embellished with a quickly-drying liquid of various hues, as the case might be. Another common type is composed of stone or hardened cubes of clay instead of wood. These habitations are usually built on the ground, often, also, on credit, which seriously mars the artistic effect. The creatures who live in them guard their habitations very zealously, as one will find if he pokes a stick through one of the openings or smashes in the side of the building with a brick. After making the experiment it is well to adjourn to a safe distance to note the effect. 5. Buildings are of interest to fire underwriters because of their propensity for burning. The combustibility of a building is determined by multiplying the specific gravity of the mineral substances entering into its composition by two-thirds of the dens-

INSURANCE DEFINITIONS

ity of the vegetable materials and squaring the inspector. 6. New York, Chicago and several other places are making a specialty of buildings.

See Fire-Trap, Fire-Proof, etc.

Bun'co ism, n. See Gold Brick.

Burn, *bern*, v. t. [A. S. *byrnan*; Ger. *brennen*; Pol. *burn-upski*.] 1. To destroy by fire. 2. Property may be burned by accident or by intent. Fire insurance companies are generally curious as to the cause of a fire, for if it is proved to have been promoted by the party of the second part in the policy contract with malice aforethought and a quart of gasoline or other incendiary substance, the party of the first part is relieved of all liability, obligation or accountability for the loss. 3. The burning of property for insurance is quite a fad with certain sects of people known as incendiaries, firebugs or pyromaniacs. [See Same.]

See Arson, Fire, Conflagration, Combustion.

Burn, *v. i.* 1. To be on fire. 2. To combust. 3. To oxidate. 4. A house may burn up or it may burn down. Authorities differ, but investigation fails to indicate that it makes any difference to the fire insurance companies having policies involved. Darwin or some other Grecian politician of the Ionic period, states emphatically in his rightfully celebrated handbook entitled "The Rise and Fall of the Dutch Republic," that "burn up" refers to the smoke, while "burn down" refers to the ashes. His line of reasoning is quite transparent to the mathematical mind and should be conclusive. 5. Burning conducted on an extensive scale is known as a conflagration.

"The man stood by the burning block—
Smiled at his policy
For twice the value of his stock,
'Twas a Buckeye fire, you see."

—From *Valued Policy Lawlessness and Other Jingles*. Rev. St. '92.

C

Cal'en dar, n. [L. *calendae*.] 1. An invention of insurance companies used for advertising purposes and keeping track of

INSURANCE DEFINITIONS

time. It is generally composed of a heavy cardboard to which are attached a number of leaves, one for each month, on which are printed the tabulated days of the month by weeks, the various stunts of the moon and the name of the best insurance company on earth and its agent. 2. Calendars vary in size, in cost of production and in popularity. Some are plain and businesslike, some are artistic and dainty, some are neither. Some show the whole year on one surface, others reveal but one day at a time. The latter were invented as a source of mental culture and any mind that has successfully survived the year without forgetting to tear off the old sheet each morning will be equal to almost any feat of mental callisthenics or heavy lifting. 3. Last year's calendars and last year's birds' nests are both quoted low in market reports. 4. There is no excuse for any home not being provided with this necessity. There are always enough to go around. If one is clever he may be able to obtain two copies. He will be more adroit if he escapes getting a dozen. 5. Calendars go into effect January 1.

See Supplies and the nearest insurance agent.

"A *calendar* is unique in that it is a business necessity, it costs nothing and is brought to you 'with thanks.' Would there were more such."—From *Insurance Truisms*, Page 7.

Can 'cel, v. t. [Colloq. U. S. from "can sell," implying "we don't want to buy."] 1. To discontinue an insurance contract. 2. To take up a policy. 3. In fire insurance a policy may be canceled by either party at pleasure, or displeasure either, for that matter. 4. A common but most unpopular word when addressed to an agent by a manager. The agent does not enjoy having his handiwork thus marred. 5. Cancelling a policy is often the outward manifestation of inner mental processes known as "better judgment" or "careful consideration." 6. A notice to cancel may be given for various reasons. The insured may wish to terminate the contract because he doubts the stability of the company, believes his rate is too high, thinks the president of the company gets too large a salary, wishes to spite the agent, etc. The company may cancel because it doubts the integrity of the insured, believes the rate is too low, thinks the insured is spending too much money, smells smoke, gets scared, prefers to pay return premiums rather than losses, etc. 7. The agent who neglects to cancel a policy when instructed to do so assumes the liability per-

INSURANCE DEFINITIONS

sonally, a sufficient incentive for his nimble compliance with a distasteful order. 8. In life insurance a policy is canceled only upon violations of its terms.

See Return Premium, Lapsed Policy.

Can'celed Poli'cy, n. 1. A policy that has been canceled. 2. A prematurely terminated insurance contract. 3. The hollow evidence of former prosperity and of which the great poet and statesman, McNall, said, in a moment of temporary enlightenment, "It has seen better days." There is doubtless nothing more gorged with pathos than the spectacle of an insurance policy in full bloom of a precarious and probably brilliant career cut down without warning by cancellation.

Can cel la'tion, n. The act of canceling an insurance contract.

Can'vass, v. t. [From canvas, which originally meant "to sift through canvas." It now means to sift speech through a narrow crack in a door or a key hole.] 1. To seek diligently for applicants. To search out the by-ways and hedges. To prospect.

Can'vas ser, n. 1. A species of life insurance agent common to industrial companies. 2. One who gets business by going after it. 3. The successful industrial canvasser leads a strenuous life. He is as persistent as the laws of gravitation, the rythmatic swing of the planets in their orbits or a setting hen. He recognizes in his vocabulary no such word as "fail." If he sees it here he will not know what it means. He sheds discouragement as a duck sheds water. The reluctant prospect who chances to be the object of his attack may invite him off of the premises by means of a shotgun and a bulldog with a new line of dental goods which he is anxious to introduce, and the canvasser may filter away into the twilight three steps at a time; but he will be back in the morning to get the hat and, perchance, the bosom of his trousers which he forgot the evening before. He will also smilingly inquire when it will be convenient for the medical examiner to call and pass on the application with which he was favored

INSURANCE DEFINITIONS

the night before. The wise prospect surrenders at once when he finds such a man on his trail and becomes an applicant.

"The *canvasser* knew well, of course,
A woman's 'no' means 'yes,'
He shoved the 'app.' in through the door,
She signed it? Well, I guess."
—From *Bluff, or How to Win Out*. V 8.

Cap' i tal, kap' i tle, n. [L. *capitalis*.] 1. The amount invested in the stock of an insurance company. 2. That which a stock company has and a mutual company has not. 3. The nucleus about which the financial organism develops. 4. The capital of the older insurance companies is often proportionately small compared with the entire assets, and the dividends are consequently large. In such cases the stock representing said capital is highly cherished by those who happen to have specimens. Collections of insurance stock certificates are quite the fad in some eastern cities, and especially in Hartford, Conn. You go into almost any home in that town, and instead of bringing out the family photograph album, a la western style, they will produce their collections of insurance stocks and show you the various styles of typographical work in vogue years ago or more. These specimens are not valued according to their artistic merit, but are ranked solely on their dividend-producing ability, evincing a somewhat depraved and morbid unappreciative taste of high art, deplorable anywhere and doubly so in the effete East. Such collections, however, are said to be profitable. The proper way is to buy the capital stock at par and wait for it to advance to a premium of 400 or 500 per cent. By repeating this process sufficiently the collector in the course of a thousand years can realize a tidy sum to retire on. This, however, could hardly be recommended as a means of livelihood to a man of small means.

Cer tif' i cate of Au thor' i ty, n. See License.

Charge, n. [It. *carco*; Sp. *carga*; Fr. *charge*.] 1. An addition to a schedule rate because of certain deficiencies or physical conditions touching the risk which increase the hazard. 2. The items which appear on the debit side of a rate's anatomy. 3. An-

INSURANCE DEFINITIONS

tithetically opposed to credit. 4. Charges are made for openings in walls, falling wall hazards, exposures, floor openings, moral hazards, etc. For detailed information, see any schedule. 5. Many charges can be eliminated by a progressive and long-headed property-owner to advantage. He can reduce the charge for openings by adopting standard shutters. He can close his floor openings with automatic trap doors. He can cut out the falling wall hazard by building higher than his neighbor. He can eliminate the exposure charge by buying out or blowing up the exposing premises. [Caution—In attaching the dynamite percussion cap to the fuse do not chew said cap onto said fuse unless you are prepared to be spontaneously ushered into “that new world where light and darkness fuse.” A few who have thus tampered with sudden death still encumber the earth, but the majority are now strolling the by-paths of infinity like unsolved Chinese puzzles trying to collect enough of their integrate parts for positive identification at the Golden Gate.] 6. The word “charge” is also made use of as a species of profanity in an insurance agency. If a man comes in to get a policy and does not have the money to pay the premium the agent tells his cashier to “charge it.” If the man’s credit is no good and the account turns out bad the profanity becomes more pronounced but less printable.

Compare Credit.

Class i f i ca ’ tion, klas i fi ka’ shun, n. [It. *classificazione*.]

1. The assignment of risks into classes or groups according to physical similarities. 2. The crystallization of the fruit of experience. 3. The scientific system which is the outgrowth of primeval chaotic generalities. 4. All large words to the contrary notwithstanding, classification is really a simplification of complexities otherwise incomprehensible and confusing. Since the advent of classification all stables have had to flock by themselves and survive or perish on their own merits. The same is true of school houses, churches, frame dwellings, brick ditto, elevators, saw mills, department stores, etc., ad infinitum. By classification the underwriter is able to estimate just which styles of architecture or species of trade contribute most generously to the annual ash pile and which vice versa, and act thereupon accordingly. It is thus possible to place advances in rates

INSURANCE DEFINITIONS

where they will do the most good and probably provoke the greatest howl.

See Preferred Class.

"Classification is division

Of the good risks from the bad—

A system fair, that shows just where

The profit's to be had."

—From *Insurance Nursery Rhymes*. Page 60.

Clause, klawz, n. [Afr. *clahs*, meaning *multum in parvo*.]

1. A paragraph or portion of an insurance policy stipulating a condition, granting a privilege, waiving a condition, or otherwise limiting or broadening the contract. 2. A clause may be a part of the original document or may be in the form of slips and attached thereto by means of Stick Tite Mucilage, Plaster Plastic Paste, an international alliance, solar magnetism or any other equally adhesive solution or illusion, though whether incorporated or simply annexed it is equally an effective part of the contract. [Note.—If any mucilage brewery with an unassigned advertising appropriation wishes to get its name before the cream of the mucilage-using public by having the nom de plume of its best brew listed with the foregoing renowned adhesives, we are in a position to listen to reason. In a listening attitude, as it were. This is merely a suggestion.]

See Blanks, Supplies.

"A modest little *clause* in smallest agate type

Made the thing a wild-cat of most pronounced stripe."

—From *Things Are Not Always What They Seem*. Canto XVIII, about ½ inch from the bottom of page 147.

Clear Space, klere spase, n. [From *clear*, meaning far; and *space*, meaning distance—a far distance (original).] 1. An unoccupied space. Not necessarily a vacuum, but a space in which there are no buildings or other bits of combustible bric-a-brac, such as lumber piles, ash barrels, soap boxes and hay stacks. 2. A lack of propinquity. 3. A streak of nothing doing. 4. The owner of a building well equipped with clear spaces is to be congratulated, for it receives a favorable discrimination in the rate. The clear space idea, however, like other good things, may be overdone, and where a building surrounds itself with such an abundance of clear space and exclusiveness that even a fire engine

INSURANCE DEFINITIONS

house can not be found within ten miles, it is called a rural risk and is not especially sought after. The conflagration hazard, however, does not have to be taken into consideration in such cases. On the other hand, a quarter section of land may be so overrun with buildings that the clear space feature is entirely eliminated. Such a condition is known as a congested district and is subject to conflagrations, explosions, holocausts, etc. [See same.] It would take considerable ready money to equip some buildings with clear spaces—for example, the Rookery, the Temple, or other Chicago properties. The same might be said with equal truth concerning a number of New York City structures.

Co-in sur' ance, ko-in shur' ans, n. [U. S. co. abv. *company*; and *insurance*.] 1. Insurance where two or more share the liability in case of loss. 2. A syndicated risk. Naturally popular in the twentieth century age of Morganization. 3. Generally accepted to imply a proportionate liability assumed by the insured. He agrees to carry a certain percentage of insurance (ranging from 50 to 100 per cent.), the remaining percentage, whatever it may be, he assumes in consideration of a stipulated reduction in rate. Co-insurance concessions of this nature were designed to check a growing tendency on the part of property-owners to take only enough insurance to cover a probable loss, so that a proportionately small fire would always result in a disproportionately large loss to the companies. Oh, yes. They'll learn. Give them time. 4. A number of State legislative bodies, either out of the fullness of their hearts or in an interim of innocuous desuetude, have lent themselves to the favoring of insurance interests by the passage of laws permitting the use of co-insurance clauses. Lest they see this and repent we hasten to interject that any such measures of direct advantage to underwriters return indirectly to the insuring public with multiplied advantage.

See Other Insurance.

Col lec'tions, kol lek' shuns, n. (commonly plural). [Of Roman ancestry.] 1. The art or the process of chasing in due premiums. 2. The barometer which indicates the financial health or status of an insurance office. 3. One of the high lights in the life of an industrial life insurance agent. The percentage of col-

INSURANCE DEFINITIONS

lections always presents an unattainable ideal towards which he is daily striving. Most ideals do not demand over 100 per cent. for perfection. The ideal of happiness, the ideal of fame, the ideal of beauty, the ideal of culinary excellence—none of these are ever quoted above 100 per cent.; but the industrial collector becomes a miracle worker, often collecting 101, 110, 115 per cent. and even more on outstanding premiums. This he accomplishes by anticipatory methods, but it is a habit difficult to acquire and easy to throw off. 4. An undue sluggishness in collections affects the whole plant. Sassafras tea is said to be good to thin the blood. It might help collections by being applied to the agent—internally.

Com bined' Ex per' ience, kom bind' eks pe' ri ens, n.

1. The merged statistical data of a number of insurance companies. 2. The science of furnishing indemnity for specific contingencies is based upon the laws of chance which approach certainty, as the averages used are obtained from the greatest possible aggregation of individual cases. Thus insurance companies have each contributed their knowledge gained by experience to a common fund, and the information thus obtained has given a comparatively safe basis for the calculation of rates. In England the Combined Experience or Actuaries' Table of Mortality was thus obtained, and in America, the American Experience Tables. To the archeological student this will recall the bit of wisdom contained in that well-known, but heretofore miscredited, proverb of Solomon, "Two heads are better than one."

See Experience.

"Combined experience is the fools' university."

—From *A Post Graduate*. P. 999.

Com bus' tion, kom bus' chon, n. [L. *combustus*—*com* and

bust us.] 1. The process of oxidation. Sometimes spoken of as burning. 2. Oxidation insurance companies, also known as fire insurance companies, are organized in many communities to make good the financial loss to individuals who have suffered from the sudden oxidation of their property. 3. It is a chemical process and usually attracts considerable attention. It results

INSURANCE DEFINITIONS

from the pronounced and unrestricted abandonment of certain elements to the gratification of their affinity for other elements. Like a minister or other authoritative party in a marriage ceremony, it is necessary that oxygen be present in a combustion performance in order to make the thing a success. (It might also be noted right here that either of the two phenomena just mentioned are generally attended with disastrous results and a case of katzenjammer.) 4. Spontaneous combustion is a voluntary effort, common to such articles as oily rags, matches, volatile oils, sweating grain, hay or straw and moral hazards. It is more common in valued-policy States than elsewhere and is usually the result of carelessness, negligence or intent—yes, intent. 5. Combustion is an irreparable waste of the world's wealth.

See Burn, Fire.

Com mis' sion, kom mish' un, n. [Dagonish, *commissione*.]

1. That portion of a premium which an agent receives as compensation for his services. 2. Some agents work for the fun of it and charitably let the insured have the commission. This style of charity is known as rebating and philanthropists of this type are generally so modest that they will emphatically deny their good works. 3. The percentage of the commission varies. In fire insurance it ranges from 5 per cent., more or less, to 40 per cent., more or less, according to the nature of the risk and the desire of some other sect of companies to write it. In life insurance the general average per cent. is much higher than in fire insurance. This is explained by the fact that fire insurance risks usually expire in one to five years and must be solicited for continuation at each expiration, while life insurance risks, once written, are supposed to continue until they become claims.

See Contingent Commissions, Graded Commissions, Renewal Commissions, Rebate.

"There was a bold son of perdition,
Always ready to share his *commission* :
But the Board learned his game
And cut out his name—
He is now an exhausted edition."

—From *Insurance Melodies*, Page 81183.

Com' pact, n. See Board.

INSURANCE DEFINITIONS

Com' pact Man' a ger, kom' pakt man' a jer, n. 1. An unfortunate individual, if he has human feelings, who is ground forever between the upper mill-stone (insurance interests) and the nether mill-stone (the public). He does not expect or hope to please anybody in particular and he is grateful each morning when he wakes up and finds that no regulators, during the night, have ruthlessly obstructed his breathing apparatus and is humbly happy each evening when the last mail is in and the day has not brought him sudden financial extermination. He puts on a bold front of indifference as to regard for what the world at large may think of his arbitrary performance of duty, but a friendly smile or a glad hand will go to his heart like a ray of sunshine into a sick room, although he dares not show his appreciation by shading a rate. Altogether a compact manager is but the victim of circumstances and does not deserve a personal visitation of social ostracism for the faithful execution of his trust.

Com mun' i ca ting, adj. Adjoining buildings with openings from one to the other and vice versa. A condition which requires that the two be rated as one risk.

See Adjoining.

Com pe ti' tion, kom pe tish' un, n. [L. *con*, with, and *peto*, to strive after.] 1. The act of striving after in rivalry. 2. The spice of trade. 3. Competition, as a business characteristic, is not peculiar to underwriting, but it is so inseparably a part of the experience of those engaged in the insurance business that it can not, as a word, be omitted from this aggregation. 4. Competition is the first caller a new agent entertains; it is the first hazard a new company writes. It is ingenious, it is wise. It assumes shapes, pleasing or terrifying, with the ease and dispatch of the genii which people our recollection of Arabian Nights. It shows a smiling face with bewitching eyes and dangerous dimples as it tries in a friendly way to lead its victim into heart to heart confessions which will be capital for it; or it slips through back alleys and dark passageways when its "rebate" horns and "twisting" tail are embarrassingly in evidence. 4. Competition is either fair or foul, legitimate or illegitimate. Honest competition gives healthy stimulus. Underhanded or questionable methods are built on the plan of the boomerang and are more dangerous to

INSURANCE DEFINITIONS

their perpetrators than to the mark (easy or otherwise). 5. Competition in underwriting is the safety-valve that prevents the rate pressure from becoming too high. The moment the gauge shows an abnormal profit the valve pops off and competition queers the game. 6. Competition is the trackless void which separates insurance companies from the possibility of forming a trust or monopoly.

Com pet' i tive Rate, kom pet' i tive rate, n. [L. *con*, with; *peto*, to strive after; *reor*, to reckon.] 1. A reduced rate granted by a rating board to meet outside competition. 2. A weapon of defense to be used against pirates. 3. Med.—Fire insurance viva-section. A good, live, healthy rate is often cut to pieces just to make it look like an imitation rate which happens to be on exhibition before a susceptible public under the management of a transformed gold brick fakir. The fakir presents himself to the owner of a large plant and asks to see the fire insurance rate then doing duty on the premises. When the legitimate, 24-karat rate is brought out and held up to view he elevates his proboscis and exhibits a wash-gold affair which he claims is just as good and much cheaper. When the property-owner shows a tendency to accept the new product the other unfortunate rate is often chopped up and remodeled in an attempt to make it acceptable to the owner and this refined program of torture is generally continued until there is not enough left of either of the rates to produce sufficient commission for the price of a postage stamp. A rate is sometimes dropped to see how far it will fall without hurting it. Such treatment is fatal to its future usefulness. Generally after these operations the rate makers repent and attempt to put the pieces together again and mend the poor thing; but a competitive rate much resembles the lamented Humpty Dumpty after his sudden descent from the wall. This cruel and dangerous practice, fortunately, is losing in favor.

See Rate War.

"The heaviest winner in *competitive rate* contests will prove to be the heaviest loser in the end."—From *Insurancewise and Otherwise*, Page 555.

Com' pound In sur' ance, 1. A line of insurance which is carried by a number of companies. 2. Where, in one property, greater values are combined than a single insurance company is

INSURANCE DEFINITIONS

willing to assume, the insurance is divided among various companies until the line is covered. In such cases care should be taken that the forms on the various policies all agree. An oversight in this respect may result in all sorts of trouble in case of a fire. Every property-owner who happens to have a stock of compound insurance in his safe should take it out from time to time and see if the various policies harmonize—if the parts dovetail neatly, the one in the other, and that no symptoms of friction are developing. This little bit of precaution may prevent a future lawsuit. 3. Compound insurance is the technical name for a collection of insurance policies. As collectors, some men run to bird's eggs, some to stamps, some to books, some to warts, some to bugs, some to corns, some to insurance policies. When a man gets to be a chronic policy collector he is said to have a case of "surplus line" or "target risk," either of which is more commendable than comfortable. 4. Compound insurance is common in life insurance, but that is not what it is called.

Com'pro mise, kom' pro mize, n. [L. *compromissum*.] 1.

A settlement of a loss in which concessions are made on each side. 2. A draw—both sides agree to quit. 3. It is generally preferable to a lawsuit and within sight of one. Often, it is true, it comes after the lawsuit in the way of a compromise on the judgment, but then it is to prevent further lawsuits. 4. A compromise is usually effected after this wise: The adjuster observes that the claimant has something to say and he cautiously eases up on his strangle hold until sufficient liberty is given the air passages to produce a voice. The claimant then expresses a willingness to accept a smaller amount than he had been demanding. The adjuster now suggests: "If you will kindly relinquish your death grip on my scalp lock so my eyes will not be so lachrymously profuse that I can not think, I will consider, though I still am inclined to believe that your greed is more noticeable than your judgment." After a number of such little interchanges of pleasantries and gradual trading of half-Nelsons for dead locks and such they finally become separated and, contradicting though it may seem, they then get together on a compromise.

"The man a company most prizes
Is one who's keen on compromises."

—Anon. Page 6.

INSURANCE DEFINITIONS

Con ceal' ment, [L. *con* and *celo*.] 1. The withholding of facts material to the risk. 2. A property-owner sometimes, through false modesty, fails to state that his building is equipped with a large high-pressure mortgage; or that he has thoughtlessly stored a few barrels of gasoline or some other impulsive commodity in the cellar; or that he has a neighbor who sits up nights, afflicted with a somnambulistic incendiary hysteria of which he, the would-be insurer, is the uncomfortable focus; or that trade has been poor; or that he saw the new moon over his left shoulder, his first robin on the ground, or a cross-eyed black cat; all or any of which harbored secrets, and others of a like important nature, are fatal to the effectiveness of the contract. 3. A property-owner who holds a policy covering a risk afflicted with a concealment often wonders what ails his pillow or why his feather bed feels like a rockpile. 4. Concealments usually become revealments when exposed to intense heat.

See Fraud, Misrepresentation.

*"Concealment is the worm that gnaws
In secret. Fair though its face,
The contract's of scant grace."*

—From *The King of the Kaw*. Act III, Scene 3.

Con cur' rent, *kon kur' rent*, n. [It. *concorrente*.] 1. He or that which concurs. 2. Harmonize; rhyme; are similar in wording and intent. 3. A most important point of consideration where two or more policies cover the same property. If they are not concurrent a fire will give the lawyers a job and the chance to take the amounts expressed on the face of the documents as payable to said John Doe, or whoever it may be.

See Compound Insurance.

Con fla gra' tion, n. [L. *conflagratio*.] 1. A great fire spreading over wide territory. 2. Fires in their incipency are like babies, you never know what they will grow to be. Among the latter one is unable to sort out the future poets, artists, doctors, presidents, insurance agents or other illustrious phenomena from the common run of plain, every-day members of the vulgar herd. So it is with the youthful conflagration. Therefore, the firemen who wait upon it, not being able to distinguish it from the "nominal loss" type, proceed to extinguish it if possible. All

INSURANCE DEFINITIONS

fires are naturally imbued with a desire to be great, but few are able to overcome the many discouragements a young fire is certain to meet with in a large city. All fires can not become conflagrations any more than all men can hope to be poets or insurance agents. 3. His Royal Highness Nero once conducted a successful conflagration. It is said to have been planned as an accompaniment to a classical little air he had composed entitled "There'll be a Hotus Tempus in the Old Townibus Tonightibus, You Betibus," and which he rendered with great feeling during the progress of the flames. The air is popular to this day and H. R. H. Nero could make good money if he would turn it into a vaudeville sketch and tour the American continent; but from the last reports it is supposed that he is filling an engagement in a continuous performance where conflagrations never cease. 4. Next to H. R. H. Nero Mrs. O'Leary and her brindle cow take the cake as conflagration specialists. With these artists doing time in the great unknown beyond it is sincerely to be hoped by the world at large that no genius or genii will arise to snatch their laurels. 5. A number of quite pretentious conflagrations have gained recognition in the past few years, proving that this feature is not filed away with the lost arts, the dead languages or the question of the free and unlimited emancipation of the white metal. 6. In rate making a loading of a certain per cent. is usually allowed for the conflagration hazard. It is estimated that 1,000 years' experience will demonstrate whether this is too much or not enough. If the period of probation does not hurry up and expire many of the fire insurance companies will.

See Fire.

Con gest'ed Dis'trict, [kon jest' ed dis' trikt, n. [L. *con*, with; *gero*, *gestus*, to bear; *distingo*, to stretch out.] 1. The center, or that part, of a town which is densest because of sociological gravitation. The laws of gravitation controlling masses demand that the center of a group or conglomeration shall be densest, graduating towards the outer surface or suburbs. 2. An aggregation of exposures. 3. Congested districts are peculiar to cities, seldom being encountered in uninhabited regions. They may be easily recognized, even by an unscientific eye, from the general and exceeding proximity of buildings and the apparent efforts of two or more structures to stand on the same lot at the

INSURANCE DEFINITIONS

same time. 4. Chronic cases of congestion have resulted in sub-cellars, sky-scrapers, elevated railroads, sub-ways, tunnels, dropping elevators, aspiring manhole lids, conflagrations, water-towers, aerial ladders, standpipes, the falling-wall hazard, rubber necks and roof gardens. There seems to be no cure for it.

See New York, Chicago and Farmersburg, Ind.

Con se quen ' tial-Dam' age, kon se kwen' shal-dam' age, n. [Inadvertently compounded one day in the late lamented century and confounded ever since.] 1. A loss or damage resulting in consequence of a fire. A common example is the loss occurring in a cold storage plant which has been crippled by a fire in its refrigerating department. The importance of this hazard was legally, emphatically and everlastingly called to the attention of fire underwriters by the fire in the Dold pork joint at Omaha, Nebr., in 1900. Since then, packing-house forms have been renovated to eliminate this liability and any hog artist now desiring indemnity along this line must buy it in separate packages. 2. There are other varieties of consequential-damage besides the foregoing. A fire in a street-railway power-house may tie up the service, causing a fond mother-in-law to miss the train that was to take her to her daughter's to spend a week or six months. This kind seldom results in the filing of proofs of loss—never by the son-in-law. A fire in a glue caterer's parlors may deprive a community of the exhilarating aroma customarily surrounding such places and results in a certain depreciation of property. Claims in such cases should be filed in the names of ten or more property-owners. [Mo. Rev. St., chap. mcxviii, page 971.] These few examples must suffice, because a complete list would be as voluminous as a record of the proceedings of a naval court of inquiry. 3. The term is often abbreviated conveniently by eliminating all but the next to the last syllable.

Con ' tents, kon'tents, n. W. U. 1. I. 2. C. 1. E. 1. S. 2. W. 1. (Don't worry about these initials. They refer to other dictionaries.) 1. That which is contained in a building and is not a part of the structure. The nature of the contents is often determined by the occupancy; in fact, quite often. If a building is occupied by a planing mill an underwriter expects that, most likely,

INSURANCE DEFINITIONS

there will be lumber and wood-working machinery somewhere about the place. If it is occupied by a department store it will contain everything under the sun that will burn. If occupied by a Chinese laundry it will contain some dirty linen, ditto Chinamen and a pipe joint. If occupied by a fly-by-night cut-rate clothing emporium it will contain a shoddy stock of goods and a bad-smelling moral hazard. And so on through the list of classifications. 2. Another good way to discover the contents of a building has been adopted by a progressive agent out in Denver—his method is to go and see the risk. The idea is not patented and any agent may use it without fear of prosecution. 3. The contents of a fireproof building can make it a fire-trap.

Compare, Occupancy.

"As nature abhors a vacuum, so an insurance company abhors a building without contents." From *A Graft or a Profession*. Page 9999.

Con tin' gent Com mis' sion, kon tin' gent kom mi' shun, n. [Idiom.] 1. A commission or reward given in event of a specified contingency as to amount of premiums collected or the altitude of the loss ratio. 2. A bonus. 3. A stimulant to industry and care. An agent working under the inspiration of a contingent commission hates to sit down or stand still. He feels that moments are precious, that time is money, that no matter how fast he goes he is always leaning back against something sharp and insistent. 4. A worthy incentive to make an agent take a personal interest in every risk he writes. 5. Something to make December the shortest month in the year if he has not already qualified before its advent. In which case the agent is reminded that this is a strenuous life. An agent equipped with a contingent commission will wear out the soles of his shoes faster than the seat of his trousers, barring bulldogs and other accidents.

Compare Bonus.

Con' tract, kon' trakt, n. [L. *con* and *traho*.] 1. A formal agreement, verbal or in writing, between two parties. 2. An insurance policy is often referred to as an "insurance contract" or as a "policy contract." It is also referred to as the "best ever," "the latest," "up-to-date," and occasionally to a lawyer. 3. An

INSURANCE DEFINITIONS

agreement between an insurance company and its representative as to the terms of compensation which the former will grant the latter in return for services rendered. Such a contract is said by some connoisseurs to be as fragile as Haviland ware. Broken contracts are used to file suits on, and are much sought after by lawyers. 4. Figuratively—something that may be entered into. Caution: It is well for the entrant to keep his eyes wide open during the process, since the entrance to a contract is generally much more conspicuous than the exit, and many a poor victim has found himself hopelessly tied up in a skin-game contract, the exits to which were all entrances—like a rat-trap.

"Is dat wot de contract calls fer?"

Say, I stands pat on de contract! See!"

—From *De Merchant of de Bowery*. Scene II, Act V.

Con tri bu ' tion, kon tri' bu' shun, n. [L. *contributio*.]

1. The act of contributing. 2. The proportion or share of a loss which one company bears where several are implicated. 3. In classical phraseology, "the roll which a company is called upon to cough up." 4. Fire insurance companies, those alleviators of human distress, are not charitable institutions, and the act of contributing solace to some owner of an ash heap is not always a voluntary performance, but is consummated, at times, only through the earnest advice and encouragement of some court of law. They are willing enough to contribute where the claim is undoubtedly fair, but if there is any reason to believe that it is not a square deal they hump up their backs and get obstinate, and will not shell out until they are forced to.

Cor por a ' tion, kor por a' shun, n. [L. *corpus*, a body.]

1. A body without a soul. 2. An incorporated institution, ordinarily financial, for the transaction of business. Composed of individuals as partners or stockholders. 3. The business of underwriting is most satisfactorily carried on by corporations through which it secures financial strength, stability and perpetuity, otherwise impossible. 4. Though a corporation presents a community of interests, the more successful and the more wide-spreading a corporation may become, the more is it denounced by those community specialists called anarchists, of whatever shades of intensity. In anarchial parlance "corporation" rhymes with "damnation." 5. A corporation of corporations is a trust.

INSURANCE DEFINITIONS

Cov'er, kuv' er, v. t. [Slav. *kover*.] 1. To place insurance on a line. 2. One of the first things a man attends to when he erects or secures a piece of combustible property is to get it covered with insurance—most men. He may be of an economical bent and get only enough to cover a part of it, while the rest sticks out around and is exposed to the elements. Insurance companies encourage the public to cover generously by means of co-insurance clauses. [See same.] Again, in some States where the climate is favorable, property-owners go to the other extreme and put on several layers of insurance, letting the edges hang over. A valued policy [see same] atmospheric condition is responsible for such marked precautions.

Cov'er, n. 1. A canvas or tarpaulin used by a salvage corps to protect goods from damage by water, smoke and fire. 2. Covers are not remarkable for their delicacy of texture. Any one who has attempted to substitute a cover absent-mindedly for a pocket handkerchief has not been long ignorant of his mistake. It is reported that a prominent underwriter who was on his way to a banquet was delayed by encountering a fire which was licking up, as it were, a stock of goods on which his company had a policy. With most commendable spirit he at once lent a hand to the insurance patrol boys who were spreading covers over the goods on the first floor. He stayed until he saw that his services were no longer quoted at par and then proceeded to the banquetting hall. A little hostler work on the part of a porter made him presentable and when he entered the hall nothing betrayed his escapade but an extremely audible odor of burnt feathers. As shop talk was barred (this sounds suspicious, but it so appears in the original), he took his seat without evoking comment. He was on the program and in his turn gracefully arose in response to a witty introduction by the toastmaster. As he progressed with his remarks he became somewhat heated, and, reaching into the bosom of his low-cut vest, he drew forth one of the salvage corps covers and mopped his face. He was too absorbed in his subject to notice the substitution, but quite a number present did and remarked upon it afterwards.

Cred'it, n. [U. S. *credit*.] 1. An allowance granted in schedule rating for a condition or circumstance which reduces

INSURANCE DEFINITIONS

the fire hazard. 2. Antithetically opposed to a "charge." 3. The more credits a risk can claim the lower will be the rate. Credits are allowed for iron doors, sprinkler equipment, fire walls, water buckets and barrels (filled), elevator trap doors, metal window shutters, fire extinguishers, hose (note—not hoes), stand pipes (tobacco pipes come under "charge"), insomniac night watchman, clear spaces, immediate juxtaposition to fire plugs and fire department houses, etc. For further details see a schedule. Credits are seldom overlooked—by the property-owner. He often generously calls attention to some of an imaginative type. 4. Credit also applies to a charitable habit common to insurance agents of paying their clients' premiums and then earning them over in the collection. No agent can afford to indulge too deeply in this style of philanthropy or he will be a patient in the bankruptcy dispensary in due time. 5. Credit is one of those kind of gifts that it is more blessed to receive than to give. 6. An agent can afford to be generous with his public spirit, glad hand, hot air, blotters, calendars and other office furniture, but not with credit.

Compare Charge.

"It is better to give *credit* than to lose it."

—From *Insurance Proverbs*. Ch. IV, 2.

Cus'tomer, kus'tum er, n. [From an Egyptian hieroglyphic meaning joy.] 1. One who or that which buys insurance. 2. In life or accident insurance it is called an applicant. [See same.] 3. Customers are as necessary to an insurance office as the foundation to a house. A house without a foundation of some kind is known in architectural chirography as an air-castle and is not rated high; an insurance office without customers of some kind is, agriculturally speaking, a frost, and will not cut a wide swath in the field of time. 4. Customers are seldom voluntary; they have to be cultivated. 5. Every community presents much raw material from which customers can be made. The agent must discriminate, however, as to what he selects. An individual, to be available as a customer, must possess property which is liable to burn and a willingness to listen to the agent. The fact that all property owners are not customers of insurance companies should not be laid at the door of the agents. They do whom—they do what they can.

INSURANCE DEFINITIONS

Cut, kut, v. and n. [Sans. *kutta*.] 1. To reduce. Often refers to reduction in a rate effected by a surgical operation on the commission, euphoniously known as a rebate. Judging from common report there are very many maimed rates accepted in lieu of the whole thing. An agent who makes a specialty of such cripples is usually dependent upon some invisible means of support. 2. Cuts are not confined to rates, as there are cuts in salaries, cuts in commissions, cuts in expenses, cuts in dividends, cuts in interest rates and so on. Then there is fine cut, upper cut et al., but they have no special identity as insurance terms, though closely allied with the business as favorite forms of approach and argument.

See Rate War.

D

Dai'ly-Re port', da' li-re port', n. [A. S. *daeglic*; L. *reporto*. The harmonious union between these two incongruous foreign words is but another evidence of American cosmopolitanism.]

1. A form among the supplies furnished by a fire insurance company on which its agent submits his report of each policy on the day it is written. Besides an exhaustive set of questions concerning the risk, it contains a checker-board looking diagram on which the agent is supposed to draw a graphical representation of the risk and its exposures. 2. In localities where there is a stamping secretary, the daily-reports of all agents go through his hands to prevent mutilation of rates. 3. Each daily-report, when it reaches the home office, receives as much careful attention as a visiting millionaire bachelor uncle provokes in the homes of his nephews and nieces. Occasionally the examiner, while sizing up the daily consignment, will suddenly burst into a cold perspiration and send a hurry-up telegram to the agent to cancel one of the policies reported upon. This usually occurs when, in a fit of abstraction, the agent has doubled a line on a planing-mill or some similar hazard. 4. Next to the policy itself the daily-report is the most important piece of paper an agent handles.

See Blanks.

"Daily reports should be prepared accurately, plainly and neatly."

—From *First Steps in Underwriting*. Second Step.

INSURANCE DEFINITIONS

Dam'age, n. [L. *damnum*, harm; *ago*, to do.] 1. The property value destroyed in a partial-loss fire. 2. The difference obtained by subtracting the salvage from the sound value. 3. The part the insurance companies buy. 4. Another name for smoke, ashes and charcoal. 5. It will be noted that this word has the same ancestry as a certain other word of unsavory reputation and common disrepute, while "damage" itself holds an honored place in the conversation of polite society—an eloquent tribute to the broad principles of *persona libertas* which underlie the English language. Thus a word is recognized solely upon its own merits, and is not handicapped because it has a cousin who frequents saloons, barrel-houses and golf links. Doubtless but few persons were aware of the relationship until now. Those who are enlightened will certainly exercise their generosity and not hereafter discriminate against this most honorable and self-made word because of unfortunate family relationships over which it has no control. [Maybe you are wondering what kind of a principle a "persona libertas" is; ye scribe admits that there are others also wondering.] See Loss, Salvage.

De ben'ture, de ben'chur, n. [L. *debetur*, there are owing, 3d per. pl. pres. ind. pass. of *debeo*, owe, so called from the first word of such receipts in former times. (At least that's what the Standard says about it.)]. 1. A contract resembling a bond, which is given as evidence of a debt, is secured by a specific fund and bears interest. 2. Some life insurance companies issue so-called debenture policies, which provide that, at the maturity of the contract, there be issued, in lieu of cash, a debenture bond. In this way the beneficiary is prevented from losing the wad on horse races, wheat, gold bricks or shell game rackets. 3. The debenture bond wrist, which results from an overindulgence in coupon clipping, is not as common as the ping-pong wrist, or the automobile ankle, which is caused by continued practice in dodging these modern exterminators.

Deb'it, n. [L. *debitum*.] 1. A list of accounts or policyholders under the individual care of an industrial life insurance agent. 2. An industrial agent's "row to hoe." 3. The entire debit must be visited each week to make the premium collec-

INSURANCE DEFINITIONS

tions except where choice individuals have paid so far in advance that they do not need special attention. 4. A properly cultivated debit will outgrow the agent's capacity and has then to be divided. Where one policy gets into a house it is often soon followed by another and another until the whole family is insured. 5. The wise agent strives to win the affections of every family on his debit—and their dogs. It is rather annoying and unsatisfactory to attempt to collect a premium from the elevation of a gate post to the accompaniment of a canine extemporare obligato, or whatever they call it. Another noticeable thing about debits is the lack of elevators. Few debits are equipped, no matter how tall they may be in spots, and some of them strike high altitudes in July and August. Some debits, too, are so cosmopolitan that a college linguist could not collect the complete quota in its full variety of jargons. Such debits are common in large cities.

“The agent on this *debit*, say,
That chap is mighty clever
If 'ary premium I'd not pay
He'd keep coming back forever.”

—From *The Debit*. V. 7.

De ferred' Div 'i dend, [L. *defero* and *dividendum*.] 1. A dividend which is deferred. 2. A dividend which the company retains in its custody for fear the person to whom it belongs will spend it foolishly. Some companies defer dividends longer than others. Assessment companies make a feature of deferred dividends. Many of them have shown remarkable fortitude in this respect, and the time-keepers, or receivers, as they are technically called, inform an interested populace that the deferring process is liable to continue indefinitely ad infinitum. That's a long time, to say the least, and such behavior might be criticised with some foundation as somewhat overdoing the matter. Another trouble with these concerns is that they often develop a habit of deferring the payment of death claims as well. It seems to grow on them. Of course, the beneficiary is prevented from spending the money for food, clothing and other foolish extravagances, but the human animal does not enjoy being patronized, subsidized and victimized by whatever process it may be accomplished. 3. Old-line companies which defer dividends argue that they can make them accumulate and multiply so that when

INSURANCE DEFINITIONS

they revert in time to their owner he will hardly know them. (But don't worry; he'll accept them without question, on faith.)

See Debenture, Dividend, Tontine, etc.

"A dividend deferred indefinitely maketh the heart sick."

Anon. Chap. III, v. 6.

De fi ' cien cy, n. [L. *deficio*.] 1. A flaw. 2. Below standard. 3. In schedule rating the physical conditions in a risk which fall below the standard assumed as the basis, and those which add to the hazard are called deficiencies and are penalized by additions to the rate. [Note.—As a tip to the property-owner, who, however, will probably never in very great numbers be fortunate enough to peruse this authoritative work, it might be timely to suggest that it always pays to be kind and hospitable to the inspector who examines your plant, but, as you squander your choice cigars on him, do not imagine that they will superinduce a sudden attack of myopia and that he will overlook the deficiencies. Of course, such kindness may prevent him from an unnecessary display of imaginative ability and a disposition to mistake mole hills for mountains; but he has to go on record for what he says and does in regard to each risk he inspects, and some little slighted deficiency is liable to take revenge on him by burning the place down; furthermore, he receives a princely salary and is amply able to provide himself with most of the absolute necessities of life.] 4. A deficiency in a life insurance risk usually results in rejection, but the applicant is sometimes accepted as a sub-standard life. [See same.]

See Charge, Defect.

Dem or ' al iz er, n. [Sp. *demoralizar*.] 1. Zool.—A herbivorous and carnivorous biped of the family Ego-omnibus Aliabee-damnibus of the genus homo. It frequents the haunts of other species of the genus homo, and, in truth, much resembles them. Phrenologists and barbers maintain that a specimen is readily to be distinguished by those who are onto the undulations of the human cranium by the marked protuberancy of the bumps of combativeness, secretiveness, self-interest and prevarication, and the bottomless pits that mark those topographical locations commonly frequented by the commendable elevations which sig-

INSURANCE DEFINITIONS

nify an affectionate regard for others, love of home, probity and religious fervor. Altogether, a demoralizer might be classed with locusts, army worms, mosquitoes, legislators and other pests. 2. Most insurance communities have had a demoralizer, have one or are going to have one if they don't watch out. One's a plenty, but, where they appear in numbers more exalted, the locality which is affected with their presence is not likely to suffer seriously from ennui. This condition might appropriately be described in the same terms with which Sherman defined "war." 3. A demoralizer is the underwriting cause of friction. The remedy is usually as thusly: Take three quarts of concentrated fine, C. P., and dissolve in a vinegar barrel of ostracism. With this, spray the demoralizer just as he is going to roost, and he will be discovered curled up in a piece of brown paper under his perch when the sun rises—maybe. If this is not effectual, try another dose and write for the special agents. 4. Demoralizers occur in all classes of underwriting and in all sexes, and are always equally beloved.

See Rebater, Twister and the black lists.

"Demoralizers make the most
Of the present situation,
Regardless what the deed may cost
In future consternation."

—From *An Owed to Mars*. Canto X.

De pre ci a ' tion, de pre she a' shun, n. [LL. *depretiatus*.]

1. The act of depreciating or the state of being depreciated. 2. In a fire insurance risk, the effects of the ravages of time. However substantially man may build, nature is surely but certainly pulling down his structure from the moment of its completion. The chemical action of sun, air, moisture and gases begins the work of disintegration. Gravity exercises its pull with a determination, untiring perseverance and fixity of purpose which might well be emulated by the most ardent politician. The atmosphere sits down on the affair at the rate of fifteen pounds to the square inch, and it takes a pretty substantial proposition to stand up under such a combination of discouragements. It is only a matter of time until the best will be entirely eliminated. 3. Insurance companies make note of this tendency to depreciate in rates and contracts. 4. In life

INSURANCE DEFINITIONS

insurance, risks also depreciate, and with more uniformity than in fire insurance, so that it is possible to allow most accurately for this factor. [Note.—Depreciation is a slow process. A sudden disintegration and dispersion to the four quarters of the universe which attends the centerpiece in a gas explosion can hardly with accuracy be termed a depreciation, although there is a pronounced reduction in values.]

De tached', *de tacht'*, adj. [*F. detacher.*] 1. Separated from. 2. Disconnected. 3. A risk is said to be detached when it is fully equipped with clear spaces. 4. The exposure hazard is greatly reduced and the risk is rated on its own inherent merits or deficiencies.

Antonym, Adjoining.

"On one side was a powder mill,

A gas works on the other—

A match was scratched

The risk's *detached*—

High rates are no more bother."

—From *Upward and Onward*. V. 5.

De te 'ri o rate, v. i. See Depreciation.

De vice', [*LL. devisa.*] 1. A contrivance, generally mechanical, designed to interfere with the progress of a fire or otherwise defeat its purpose. 2. Numerous devices of this kind have been developed by the human brain and recognized by the patent office. As to usefulness, they may be separated into three groups—good, bad and indifferent. As to construction or behavior, they are either automatic or manumatic. The chief difficulty with the former is their great scope of imagination and native timidity, while the latter often fall short of expectations because no one knows the location of the trigger or push button with which to put it into effect.

See Automatic.

Di'a gram, n. [*L. diagramma.*] 1. A plan or outline of a risk, showing the surroundings and relative proportions. 2. Most fire insurance agents are diagram artists and each day produce a number of masterpieces on the backs of daily reports. From an

INSURANCE DEFINITIONS

æsthetic standpoint, a diagram would hardly produce an ecstatic thrill in the most keenly observant and responsive artistic soul. A diagram, in fact, is but the skeleton of a picture. Skeletons are seldom handsome. Most of us would find our beauty somewhat marred if we were compelled to go about in our exposed and unembellished framework. But this should not discourage the insurance agent or induce him to cease drawing diagrams and cause him to attempt to make an oil painting of every risk that he writes. The diagram is much more useful and no home office is large enough or willing to become an art museum or a chamber of horrors.

Compare Map.

Dis tri bu ' tion Pe ' ri od, n. [Graeco-Roman.] 1. A stipulated division of time during which dividends or other features of like or dissimilar nature may accumulate and at the end of which revert to the proper and legitimate party in interest. 2. Life insurance pension day. 3. Some policies are so constructed that the excess premium is payable annually, some "distribute" every five years, some ten, some at the maturity of the policy, and some never. There is a strain in human nature which relishes surprises, and so the distribution period idea is popular. A man takes a policy calling for a certain premium each year and having a distribution period alcove on the south front. He pays his premium each year and forgets all about the distribution period feature—never had any particular faith in it, anyway. He can not conceive that a life insurance company would deliberately give back money on which it has once placed its hooks. So when he receives notice at the end of the fifth year that his policy has, by economy and thrift, saved up enough money to pay the next premium, which he can use for that purpose, or can apply to paid-up insurance, or can place as an offering on the altar of compound insurance, or that he can take the cash and get his wife a seal-skin sacque, he is invariably astonished, and for the first time realizes that his insurance is a good thing. A man who has safely passed one distribution period and convalesced is almost certain to become a chronic insurer. The novelty of getting back money that has once been paid out causes such an unaccustomed thrill that he takes a new interest in things and lives in lively anticipation of the next d. p.

INSURANCE DEFINITIONS

Div'idend, n. [L. *dividendus*, gerundive of *divido*, divide.] Life insurance.—1. A misnomer, but generally accepted to imply the excess premium returned by life insurance companies. 2. The margin of safety charged by old-line life insurance companies above the actual cost of insurance. 3. The radical difference between old-line life insurance and assessmentism is that in the former the charge is too much and in the latter not enough. In the former the balance is adjusted by returning the overcharge in so-called dividends; in the latter it is adjusted through receiverships and in the courts. In the first the insured wears a pleasant smile during the operation; in the other he grits his teeth and says things. 4. The receipt of a dividend is like unto the getting of money from home.

Compare, Return-Premium.

" Lo, the insurance *dividend*,
It warmeth the heart—
Be it more or be it less,
The uncertainty is the spice of it."
—From *Do, Do, My Huckleberry*, Do. Act I. Scene 4.

Doub'le Insur'ance, dub' le in shur' ans, n. [From a bunch of Greek do-dads meaning two-fold and the old French word *enseurer*.] 1. Over insurance. 2. Some insure their property on the theory that if a little is good more is better. This expression of over zeal is common among a certain class of citizens who are always expecting a fire and often have their expectations realized. 3. Double insurance is worse than gasoline as a cause of fire. Perhaps it might be stated more correctly, that the fire causes the double insurance. You ask, how can something which is to be produce effects or educe profections while it yet is not? 'Tis strange, yet so it is. The mysterious working of the human mind overwhelms the mind itself. In the course of his daily round, a man is sometimes led to step aside long enough to place double insurance on his property simply because a pint of tissue and gray matter in the dome of his cranium advises him to do so in response to a faculty for foresight and a nose which can smell smoke three months in the untried future. This rare ability is often rewarded by the State which, in well established cases, provides board and lodging for the gifted persons. 3. Double insurance is a notable product of valued-policy States.

INSURANCE DEFINITIONS

Dwell'ing, n. [A. S. *dwellan*.] 1. The nest or habitation of the human animal, in which a pair, after mating, rears its young. As to its structure, refer to "building." Dwellings are generally designed for the accommodation of but one or two families, though financial stringency, stress of circumstances and other constricting influences common to human life often necessitate a departure from the original intent. However, the human animal is becoming more gregarious, and is combining many dwellings under one roof in edifices known as flat buildings. [Which same see.] 2. Dwellings are ordinarily combustible structures, though occasionally a fireproof specimen is discovered. Such are usually occupied by a certain breed (*humanus aristocraticuss*) of the animal which is distinguished by a marked elevation of the nose and a bluish cast in the blood. 3. Insurance on dwellings is generally written for terms of three or five years. 4. At present rates and from past experience dwellings are listed as a preferred class.

See Building, Flat Building.

E

Elec tric' i ty, e lek tris' i ti, n. [Scandihoovian *aleqtrivs-ki*, meaning sudden, unexpected; also (idiom.) previous.] 1. In a commercial sense, chained lightning. 2. A fluid which soaks through a solid metal tube at the rate of one hundred eighty-odd thousand miles per second, a gigantic force which is bound by a thread that a child can break, an annihilator of space, a servant of man which is always ready to go on a strike. It has other aliases which may be observed in the graduating essays of high-school savants and other standard works. 3. Fire underwriters have studied its habits with great solicitude. It is always liable to spring aleak and in this is its hazard. It does not leak in drops on the floor and smear itself around until some one discovers it and turns it off. No, it leaks in blue blazes, green lightning and a pyrotechnic display, and at the rate of 10,000,000 volts, technically speaking, per instant. The spirit of such a performance is

INSURANCE DEFINITIONS

very catching to surrounding objects of a combustible disposition. It is authentically estimated that quite a number of fires originate from electric leakage every season. 4. It is also used for lighting. Fifteen candle-power of electric radiance, corked up in a little brass necked bottle, encouraged with sufficiently contiguous inflammable surroundings, will start as great a fire as a Chicago cow and a two-candle-power lantern. 5. Electricity is also of interest to life and accident underwriters because of its playful disregard for the sacredness of human life. The long lists of casualties from this cause are quite shocking. [Vainly attempted to insulate that word from this definition, but it short circuited in spite of me.—Lexicographer.]

"For ways that are dark,
And for tricks that are vain,
Electricitee' is peculiar."

—From *Bulletin* No. CC2957, N. B. U.

En dorse', v. t. [*L. in* and *dorsum*.] 1. To write an approval or permission upon a policy granting some change affecting the risk to which must be signed the name of an officer or other authorized person.

En dorse' ment, n. A superscription on an insurance policy granting some change affecting the risk. By an endorsement a policy upon a piece of property may be transferred from seller to buyer without affecting the validity of the contract and other such convenient changes or alterations may be accomplished.

En dow' ment Pol'icy, en dou' ment pol' i si, n. [*L. doto*; *It. polizza*.] 1. A life insurance policy contract combining insurance and investment. 2. Insurance against the ills and terrors of old age. 3. A policy in which the insured is the real beneficiary and with which he must live to win. 4. A special favorite with the young man, as it takes his money when he has not sense nor experience enough to take care of it or appreciate it and returns it to him with accumulations after he has learned proper respect for the dollar, singular or plural, or its component parts. His only regret upon its maturity is that the amount was not doubled in the beginning. 5. Something to live for. 6. *Scien.*—The crystallization of surplus production, the storing of financial energy to become available in some future

INSURANCE DEFINITIONS

hour of need. 7. An expression of wise foresight and a practical faith in the future.

"An endowment policy matured, dear
Will make our future assured, dear
We'll live year by year
Without dread or fear
And by death we'll ne'er be allured, dear."
—From *How to Make Love and Other Mistakes*. Page 258.

Equipped' Risk, n. 1. A risk which is equipped with sprinklers.

See Sprinkler Equipment.

Examina' tion, n. [L. *examinatio*.] 1. An investigation of an insurance company's financial state of health, generally by a licensed member of the State insurance board of health. 2. An authorized probing into the interior anatomy or clock works of an insurance organism. 3. Some examinations are conducted for the good of the company, some for the benefit of its policyholders and some for the financial aggrandizement of the examiner. The first are rare enough to excite comment and occur when a company, for some reason or other, has been overlooked in the shuffle and desires to receive a clean bill of health for advertising purposes. The second are really the most important and the truly legitimate variety. The third is sufficiently common to be scandalous. An examiner of this breed is not worried because he fears that the company's expense account may have sprung aleak, or that the reinsurance reserve may have become pied with the reserve for other liabilities, or that the cash in bank has accidentally become cash in hand; all he wants to know is whether they will "cough up" a one-hundred or a five-hundred dollar fee, or stand the expense of a real examination, running up—well, anywhere from five to fifty thousand dollars. This style of examination is also known as hold-up, raiding, etc.

See Insurance Commissioner.

Except'ed Cit'y, n. 1. A city not under the jurisdiction of the Union. 2. There are five such in the Mississippi Valley, to-wit: Chicago, St. Louis, Cleveland, Cincinnati and Louisville. It will thus be observed that "excepted city" and "holy city" are not synonymous terms. The reason that these cities were excepted is quite evident. The main tent was crowded without

INSURANCE DEFINITIONS

them and they are a whole show by themselves. The chief characteristic of excepted cities is bad water and a high expense account.

Expect'an cy, n. [L. *ex*, from; *specto*, to look.] 1. That which is expected. 2. In life underwriting, the anticipation of results from mortality tables and other prophetic paraphernalia connected with the business. 3. The actual experience and the expectancy seldom come out even. Anomaly though it may seem, the ruling spirits of the company do not expect them to. As to death rate and loss payments the actuary who brewed the premium rates is pleased to see them fall short of his prognostications. The death rate is more likely to be thus accommodating than the loss payments—undoubtedly a matter of selection resulting from the instinct which actuates a robust, vigorous and desirable risk, in his self-confidence, to take small policies, and the weaker, less desirable, though passable risk, in his self-consciousness, to load up with as much insurance as he can handle. 3. The importance of expectancy in life underwriting can not be gainsaid for the business deals directly with futures. 4. Expectancy is theory; experience is practice. 5. In assessmentism a large, attractive, hand-painted expectancy was wont to be held up before a gaping and gullible public and many bit; but with the passing of the seasons the action of the elements and Providence so defaced these imitation works of art that they are no longer so popular as interior decorations.

See Experience; Mortality Tables; etc.

Ex pense', n. [L. *ex*, out; Eng. *pence*, a plural coin, as it were.] 1. The cost of operating an insurance company. 2. Poetically considered, the spot in a company's coat of mail at which all its enemies aim their shafts. 3. In this respect some companies are vulnerable, others impregnable. (Note.—Both of these words will be found to be legitimate upon reference to our contemporary, Noah W.) 4. No company feels proud of a large expense account, and it is not encouraged to growth by physical culture or health foods. If the president or manager of a company wakes up in the morning and finds that the expense-account has taken advantage of his yielding to the demands of an ex-

INSURANCE DEFINITIONS

hausted and unravelled system and has grown several joints during the night, he cuts it back. This is a distressing operation and often results in the firing of somebody, the canceling of an order for a new rug in the front office or the buying of a cheaper brand of cigars to be used in coercing insurance journalists who may call, innocently unaware of the foul change. There are other ways of reducing expenses which may occur to versatile presidents. These are only given as examples. 5. The expense item as it appears in the annual statement is examined with a microscope by the State insurance board of health.

“With pride they sang on the housetops
About their business immense,
But they never told in a whisper
How their income all went for *expense*.”

—From *The Fall of the Golden Circle of Simple Simons*. Canto XXII.

Expense' Ra'ti o, n. 1. The ratio of expense of management and operation of an insurance company to the premium receipts. 2. It is found by dividing the former by the latter and its proportions are usually sufficiently magnificent to be discernible without the aid of a microscope.

Expense' ri ence, ecks pe' re ense, n. [L. *experientia*.] 1. The school in which fools and insurance companies learn. Neither are apt soon to receive diplomas, as both fail to profit very largely from their daily lessons. Everybody knows how fools stumble along from day to day, out of one ditch, into another—from experience. But insurance companies should do better. In every home office, fire, life or otherwise, where the business is carried on with the idea of eliminating the element of chance as far as possible and there is no desire to harbor felines of tiger proportions, systematic records are kept showing the actual experience of the company with the various classes of risks, the different ages, sexes, all the lights, shades and shadows of divisions, biographical, geographical, topographical, physiological, psychological, sociological, chronological and logical. These are prepared, arranged and grouped in neat card systems so that they will be comprehensible and of ready reference. Anyone not an illiterate can read the writing, any underwriter can read the meaning. This collection of data, this digest of facts, is called

INSURANCE DEFINITIONS

the experience of the company. And companies have gone still further and dumped all their individual experiences into one cauldron and the product has been "combined experience." If experience is a school, combined experience is the university. Having such a volume of knowledge, a treasure of precedents, upon which to base every move, every venture, common sense would dictate a strict adherence to its precepts; but nay! nay! the underwriter must indulge in the pursuit of rainbow money-bags and golden fleeces (a double-edged word in this connection). He likes fairy tales and will go trailing off after phantasms presented by "greed for business" and will set aside his better judgment as born of experience at the first swaggering suggestion from "competition."

*"Experience, thou art a jewel,
Seldom valued by the possessor
Until thou art lost.
Heeded, thou dost increase in value—
Neglected, stone by stone is added
Until the string becomes
A chain of burdens and regrets."*

—From *A July Nightmare*. Act XX. Sc. 1.

Ex pi ra' tion, n. [*L. expiratio*.] 1. The termination of an insurance contract through and because of the due culmination of the period of time for which it was written. 2. The death of a policy. 3. The finish. 4. Insurance policies, like all other things or institutions mundane, succumb eventually or sooner to the ravages of time, the tax collector and the undertaker or the rag picker, and expire. Also, like other things aforesaid, the tenure of life and usefulness varies directly according to the difference between the date appearing at the top of the policy and that at the close, as the case may be. Life insurance policies are generally longer lived than fire insurance policies, though some of the latter are so-called "perpetual policies," wear whiskers of the chest-protector variety, and tell yarns about the big loss ratios of the early seventies and the good old days which followed, when insurance was as great a boon as a porterhouse steak is to-day. 5. One of the pastimes of local fire insurance agents is hunting for expirations. They enter into it with the same zest that used to attract adverse criticism when, in their immature years, they searched orchards, not necessarily the

INSURANCE DEFINITIONS

parental vine and fig tree, for fruit, mature or immature. As in those romantic, bygone days, the agent seldom gets well started in the stripping of a good tree of expirations which he may have discovered before some other agent comes along and helps him to pick up the choicest specimens or the man who owns the ground that sprouted the seed that grew the tree that bore the fruit appears on the scene. 6. In some districts local agents have put up "no trespassing" signs in their expiration orchards, and any one mistaking their purpose is politely and emphatically lynched. 7. After an expiration has been picked and put into the cellar it is called a "renewal." [See Same.]

Syn. Expiry.

"Expirations are the life of the business."

—From *Special and Other Hazards*, P. 77.

Ex pire', v. i. [L. *expiro*.] 1. To become terminated through fulness of days. 2. To die naturally.

Ex plo'sion, n. See Removal.

Ex po'sure, eks po'zhur, n. 1. An adjoining or neighboring structure. 2. Buildings, like people, are known by the company they keep and a fireproof sky-scraper that associates with a flock of old-fashioned fire-traps has to pay for it in its insurance rate. 3. If it were not for exposures there would be no conflagrations. 4. The exposure hazard diminishes inversely as the cube root of the distance from the risk in question to the exposure divided by the railroad fare to the home office raised to the nth power. 5. The hazard from exposure is lessened by protecting all openings with iron shutters and sometimes by a sheet of water which can be unfolded like a curtain when needed. 6. A sufficient number of exposures taken together makes a congested district.

See Universal Mercantile Schedule et al.

1. In life insurance phraseology—the laying bare to public scorn of the outrageous mal-practices of some other company. 2. A circus for all except the company exposed.

*"I'll meet your exposures
With blacker disclosures
Of reckless expenses,
Rebates and sharp dealing,
And other offences
That savor of stealing."*

—From *Golden Rule Ballads*.

INSURANCE DEFINITIONS

Ex tend'ed In sur'ance, n. [O. F. *extendre* and *ensurer*.]

1. Life insurance which remains in force where premium payments have been discontinued before expiration, its vitality being derived from the accumulated values on premiums already paid. 2. Insurance which continues going from its own momentum. This momentum is calculated by subtracting from the reserve a certain surrender charge which varies directly as the pressure of competition, and applying the remainder to future premiums. The easiest way, however, to find out is to look on the policy which, if equipped with extended insurance features, indicates the values by years. 3. The policyholder who thinks that he can get rid of a modern reversible adhesive life insurance policy on which he has been paying three years or more by simply lapsing it or failing to pay premiums has another think to his credit. Most of those documents are now equipped with a lot of surrender or paid up or other values which begin to operate as soon as the premium stimulus is withdrawn, one of which the retiring policyholder must select.

See Dividend.

Ex ter'nal Haz'ard, n. [An insurance polyglot, whatever that is.] 1. A hazard which affects a risk, but is outside of it. For instance, among the external hazards of an elevator are the passing trains, dead grass, hobos, etc. As to a saloon, of course, conspicuous among external hazards is Carrie Nation, though, in truth, she should be classed as an internal hazard, for it is after she gets inside that she gets (ax)tion. [This was entirely unintentional and an innocent perpetration. Puns are strictly and decisively barred from this classical production, as a casual investigation will prove, and, upon positive proof that the author has indulged, the (pun)ishment will be made to fit the crime.] To return to the saloon, most of its hazards are of the internal variety and extra hazardous. 2. Exposures are external hazards, except in photography, when they may be either, neither or both. 3. External hazards are often greater than the inherent hazards; however, this is not strange, considering the limitless space over which they may distribute themselves, for an external hazard, to be such, does not necessarily need to be within a fixed radius, but may suddenly assert itself as such

INSURANCE DEFINITIONS

though miles away—in point, the O’Leary cow, hooked on to a conflagration.

Compare Inherent Hazard.

Syn. External Risk.

Ex’ tra Haz’ ard ous, adj. [*L. extra*; *Sp. azzard*.] 1. Involving more than ordinary hazards. 2. A classification in life and accident insurance applied to occupations or pursuits which present unusual menaces to the one engaged therein. Such classes are either prohibited altogether or are charged a higher rate. 3. All walks in life, whether paved or unimproved, abound in shadows and pitfalls, wherein death lurks with a hungry grin, waiting for victims. The clay-encumbered spirit is dropped, whether or no, into this mortal vale of tears and forced to run the gauntlet. No individual specimen can hope to escape, whether he, or “it,” rather, may be born with a mouth full of silverware, in the lap of luxury, or with only a pair of leather lungs and poor, but honest, parents. It begins to play tag with the Grim Destroyer as it takes its first breath, and from then until its final gasp it is dodging the great inevitable in forms seen and unseen, realized and unrealized, of which the unseen and unrealized constitute the majority report. Colic, croup, dog days, rash, scarlatina, teeth, doctors, osculating friends, relatives and callers, awkward nurses, fire, scarlet fever, whooping cough, bachelor uncles, tight clothes, draughts, broken-nosed brothers and sisters—these are a few of the ordinary hazards that surround the path of the human adventurer while it is yet only indefinitely “it” and to the world at large presents no evidences in dress or conversation as to its personal choice of sex. Up to this point it has been naturally handicapped, being compelled, because of locomotive inability, to encounter no other modes of destruction than those which came to it voluntarily, but as soon as “it” becomes “he” or “she,” and is able to waddle about in search of trouble, the aforesaid shadows and pitfalls multiply. The gauntlet runner now passes between an active double row of instantaneous extermination in a multitude of forms—green fruit, mumps, measles, diphtheria, stone bruises, rusty nails, swimming, fights, falling off of or into things, horses, dogs, policemen, fireworks, thin ice, rotten branches,

INSURANCE DEFINITIONS

new houses, bicycles, firearms, baseball, football, hazing, college rushes, overstudy (rare), big head, love, wisdom teeth, little brothers, society, punch bowls, bacillus, microbes, theories, imagination, conservatories, matrimony, mothers-in-law, fathers ditto, brothers ditto, sisters, uncles, aunts, etc., ditto, and so on beyond the power of calculation or enumeration. But all these are ordinary hazards with which an insurance company is willing to take chances, but when a man deliberately accepts a job in a powder mill, a dynamite emporium, joins the army, becomes a stone-blasting artist, gets overcurious about the North Pole or engages in the business of soliciting insurance, the companies draw the line, and on his side of it write in bold, red type, "Extra Hazardous."

F

Fac' to ry, fak' to ri, n. [It. *fatoria*.] 1. A building used for manufacturing purposes. 2. A hive of human industry. 3. Man is one of the most industrious of all insect life. Drones are told to "go to the ant, thou sluggard," and are otherwise encouraged to get better or make themselves scarce. A large human drone making himself scarce about three feet prior to a canine projectile is a real inspiring sight. It tends to make one glad that his presence is not offensive to his dogship—glad that he is not the other fellow. But thus far this definition would not help the uninformed to discriminate between a factory and a cul-de-sac. (Am not certain myself what a cul-de-sac is, but hope it is nothing offensive, though it sounds rather suspicious.) When you are walking down a street and suddenly come upon a great big little bit of a large small frame, brick or steel building wearing on the off side a tall iron or brick smokestack which is belching (most chimneys seem to suffer from stomach trouble) forth smoke in quantities sufficient, if properly distributed, to retire all the laundrymen in the State, nine chances in ten that's a factory—or an asylum—or a flat. But if you wish to make sure, just step into the entrance marked "office," and if a cross-eyed, hoarse-voiced polype sings out, "We don't need any help to-day! Hereafter when you want work call at the south gate at 7 o'clock and see the foreman! Close the door!!!" That's a factory. 4. Factories generally pre-

INSURANCE DEFINITIONS

sent large open areas, unattractive to insurance companies. Fire doors, partitions, sprinklers, fire buckets, nozzles, hose, automatic alarms, etc., are resorted to to decrease this hazard. If a factory has a bad case of moral hazard, however, all the above and foregoing avail but little to prevent the inevitable.

See Building.

Fail / ure, n. See Receivership.

Fake, n. See Green Goods.

Farm Busi / ness, farm biz' nes, n. [Fr. *ferme* and *besogne*.] 1. Insurance which is written on rural risks. 2. The majority of companies consider this class of business unprofitable and write but little of it. A few that have had broad experiences and know the shallows handle it to their satisfaction. When a farm risk takes fire it usually sees the thing through, and nothing is left but the insurance policy, the mortgage and an empty cistern. 3. The agent who writes this class of business acceptably must give much personal attention to his work. He must become generally acquainted in several counties. He should know just how every farmer in his territory stands, morally, mentally and financially. Incidentally, he picks up considerable stray knowledge which he exercises to the best of his ability. For example, he knows just what places offer the greatest gastronomic inducements (though probably he would not call them such); he knows just what farmer has the prettiest daughters, which the finest orchard, what days are churning days and just when the buttermilk will be ripe, where the feather beds are thickest and so on. None of this information appears in the inspection slips, but it all has its influence on the selection of risks. 4. Congested districts are not a very considerable factor in farm business, as the chief exposures are the elements.

Fee, n. [Said to be a very aristocratic word, as it traces, according to a number of genealogical experts, direct descent from the A. S. *feoh*, meaning a stipend, a reward, which is recognized as one of the oldest words in all European languages.

INSURANCE DEFINITIONS

Some even claim that it ante-dates the flood and escaped destruction in the deluge by engaging in service with Noah, who, as purser of the ark, had use for such a word.] 1. The price of a license from a State insurance department. 2. A tribute levied on insurance companies. 3. The amount to be charged as fees for licenses or other so-called services rendered by insurance departments vary in different States, and are fixed by the State Legislatures. The price is never rebated. Insurance agents would do well to emulate the example of insurance commissioners, who always hold out for their price and get it. You will wait far into the winter before you see an insurance department advertising a bargain counter on a lot of summer-weight licenses that they do not want to carry over until next season. Styles in licenses change most decidedly, too, every year, and though it may be so late in the season that the current mode of licenses will be out of style next week, still you would not be able to buy a \$2 shop-worn copy for \$1.99.

See Insurance Department, Taxes and the last annual report.

“‘Tis a fee! You can take it or leave it.”

—Shak. Jr.

Field Man, feeld man, n. [A pair of words that have associated together long enough to become one, or at least matrimonially compounded with a hyphen.] 1. The traveling representative of an insurance company. 2. An insurance scout. 3. A United States army lieutenant, during the late Espano-American pleasantry, was ordered by his superior to “take a message to Garcia.” The task was recognized to be no Sunday school picnic, but he delivered the goods, and because thereof his name appeared in large type in all the papers; he was photographed until he was worn to a shadow; lecture bureaus tried to stake out exclusive rights on him; he became famous. But the field man of an insurance company is “taking messages to Garcia” every week, and when he returns to report at headquarters, instead of a brass band and an osculating committee to welcome him, he often finds a billet-doux from the company asking what kept him so long, or calling attention to a so-called protuberance on his last month’s expense account, or giving him another “message” to take to another “Garcia.” 4. The duties of a field man are too numerous to list, but, as most conspicuous, might be

INSURANCE DEFINITIONS

mentioned adjusting, appointing agents, inspecting, lifting supplies and other burdens, doing the oil-on-the-water act, jollyng agents, canceling risks in such a graceful and harmonious tone of voice that the agent will not take offense and place all his preferred business with "the other" company, keeping down the loss ratio, increasing the volume of premiums, discouraging his expense account, prosecuting dishonest agents, keeping in touch with the field, reading insurance journals, side-stepping gracefully in the baleful presence of a reporter to avoid telling more than he ought to about association meetings and confidential communications, and, during his spare time, removing old schedules and applying new ones. These, of course, are only a few of the duties of a field man. A complete list has never been published because of the high price of paper and the limited supply of printers' ink.

See Adjuster, Inspector, Special Agent, etc.

"If lives were published volumes,
O Horatio,
What a complicated fabrication
The insurance *field man's*
Brief span would make."

—From *Nothing Doing*. Act X. Sc. 4.

Fire, n. [A. S. *fyr*.] 1. The effect of combustion or the rapid oxidation of substances. 2. Fire was presented to the human race by Prometheus, an adventurous Titan, who stole it from heaven one afternoon when the gods and goddesses were attending a ladies' day baseball game between Chicago and St. Louis. Two theories are set forth as to why Mr. Prometheus did this, one of which is that he had a spite against the insurance companies and took this way to get even. The other is that there were no fire insurance companies at the time, and he saw that, with the destructive element in the hands of careless mortals, such institutions would become necessary, and so, exercising a J. P. M. foresight, he introduced the fire and then organized a company with 300,000,000 talents capital. The latter seems the more plausible theory. Whichever is true the fact remains that fire has been used successfully ever since. 3. A large, spreading fire is called a conflagration. [See same.]

Compare Combustion.

INSURANCE DEFINITIONS

Fire 'n-Bug, fire' bug, n. 1. Entom. Igneous Heteroptera; genus, homo. 2. Specifically a two-legged insect inhabiting all the lands of the globe. It occurs both male and female, the former predominating. It often attains the size of a full-grown man, unless it meets its just deserts in its early stages. Is both carnivorous and herbivorous, not being a fire-eater, as the name would indicate. Although it has no visible wings, it is commonly supposed to fly at certain times, a pastime in which it indulges for the sake of its health. It is not often observed in the daytime, as it avoids the light of publicity, which is fatal to it. It is a nocturnal pest, and is recognized as very destructive, annually making costly depredations on property and insurance assets. It makes a specialty of coming in contact with over-insured risks. It applies its red-hot sting to a favorable spot, and, as the flames arise, it flies away. Various measures have been tried, with more or less success, to prevent its ravages, but the most effective is conceded to be a dose of high-ropium, a product of the frontier States. This is usually applied to the neck of the insect (after capture) and, if used vigorously, will prevent the further spread of the species as far as that individual specimen is concerned. A dress suit of coal-tar, trimmed with goose feathers (applied after capture) is also said to frighten other firebugs from a community. There is no game law protecting fire-bugs and one may shoot them at any time, if he's a good shot, without fear or favor. It is said to be great sport and has become quite a fad in the West.

Syn.: Incendiary, —!!—!!!

Fire Cor' o ner, n. See Fire Marshal.

Fire De part' ment, n. [A. S. *fyr*; Dagonish, *dipartimento*.] 1. An institution common to most towns and large cities which discourages fires and conflagrations. It is composed of men, horses and apparatus of various kinds which, properly applied to a conflagration in embryo, will prevent its hatching. Fire departments when not in use are kept in buildings technically known as engine-houses, where the men engage in swapping yarns, playing cinch and seven-up, cleaning apparatus, currying horses and political favor and in other pastimes. In a state of repose a fire department might not impress the casual observer

INSURANCE DEFINITIONS

as an uncommon institution, but when an alarm trickles into the building over the electric wire he will observe a change. The chances are, if he is green, that he will also observe stars among other things and mix up promiscuously in the little excitement which ensues in a way detrimental to his physical comfort and well-being; for fire departments have a habit of breaking up social intercourses which may be held in their houses quite uncereemoniously. A fire department in full action is a grand sight. A man on top of a six-story building will bawl an unintelligible order to a man on the ground, who then goes and does it. The throbbing of the engines, the bursting of the hose, the falling of walls, the network of lines, the prospect of a fire sale and the question of the insurance involved all awaken interest when a fire department is in play. 2. Fire departments are classed as efficient and inefficient. 3. The worst thing that can happen to a fire department is politics. 4. The individual component parts of a fire department announce their approach on a thoroughfare by means of a gong. This same idea is current with street cars, but otherwise they are easily distinguished, the one from the other.

See Bucket Brigade.

Fire' - Es cape', fire-es kape', n. [A. S. *fyr*; L. *ex* and *capere*.] 1. A misnomer; not an escape for the use of the fire, as the term implies, but a means of escape from fire (an exposition of a slight distinction which will doubtless be gratefully received). 2. Arch.—A more or less pretentious outside decoration to be found on most high buildings, that is if the searcher is not rattled or blinded by smoke. Some are built perpendicularly and some are cut on the bias. The perpendicular style may not look so cumbersome as the other, but when occasion demands an outside descent from the top of a twenty-story building by means of a fire-escape, the bias variety is much the more to be preferred. 3. There are other kinds of fire-escapes in general use. With one specimen the escaper jumps into a tube, spirates a few times and finds himself on the ground with a suspiciously accurate imitation of a jag which may embarrass him momentarily, if he is sensitive; or he may make use of another by attaching himself confidently to a hook and line by the back collar button and be dangled down through space after the manner of a kitten being carried

INSURANCE DEFINITIONS

by its mother; or he can grab his umbrella, or some one's else, and jump out of the window. The latter style usually ruins the umbrella. There are also ingenious devices, a copy of which one may carry about with him in a trunk and, if he should happen to remember it when needed, he could attach it to the bedstead and accomplish the desired end.

"After noticing where your room-mate has deposited his watch and pocket book, the second thing to do is to locate the *fire-escape*."—From *Rules for Traveling*. Chapter on "*Hotels*," page 44114.

Fire In sur' ance, feigher in shur' ans, n. [A. S. *fyr*; L. *in* and *securus*.] 1. An agreement or contract to furnish indemnity for loss occasioned by fire. 2. The courts of law have not been able to define the term so glibly. Even as to gender, whether he, she or it, there is dispute. Fire insurance has been termed the "bulwark of financial credit" (masculine), "the hand-maiden of commerce" (feminine) and "a hydra-headed trust" (neuter). With such a variance of opinion it is not strange that its exact status in the courts is a question and that it enters doors of such uncertain hospitality with reluctance. 3. Fire insurance is the balance wheel which eliminates to a great extent the erratic uncertainties of chance from business ventures, makes possible the congestion of immense values within small areas and distributes the blow of misfortune so generally that its destructive force is not felt. While it may not be strictly accurate to say that modern business and industrial methods are the outgrowth of the advanced comprehensibility of fire insurance, it is safe to assert that the present business fabric would make but a sorry, frazzled appearance if all the interwoven threads of fire insurance were drawn out. 4. It is not an impossible matter to find a man who thinks he can get along without a wife or a dress suit, or an automobile, or religion, or two pairs of socks, or a boiled shirt, or a life insurance policy, or an accident insurance policy, but the man who owns a building that is uninsured is becoming a more uncommon freak every day. It is estimated that the species will be extinct about the time the Panama canal is completed.

"*Fire insurance* as an activity occupies the unique position of being an undefined industry."—A. F. Dean in "*Fire Insurance*," *ROUGH NOTES*, Vol. XXX, No. 11, Page 248.

INSURANCE DEFINITIONS

Fire' man, n. [A. S. *fyr*; Gothic *manna*.] 1. One who extinguishes fires for a living. 2. A soldier who fights fires. 3. Zool.—A ruminating omnivorous biped of the igneus bellicosimus humanicus group belonging to the genus homo. It is indigenous to civilized countries, but has reached its best development in the United States. Nature has failed to make sufficient provision as to its protection from the elements, and it covers itself with a fabric neatly woven from the pawned surplus of the sheep and the product of the cotton fields. This artificial covering is usually dark blue in color, though specimens have been discovered which affected more brilliant hues. It takes its name from its remarkable behavior in the presence of fire. A flock of igneous bellicosimus humanicuses may be perched indolently about their nest, looking as inanimate as a country store two hours before mail time, when they are suddenly aroused by an alarm of fire. As for the transformation from malarial lounging to bewildering activity there's nothing like it. The reawakening which follows the arrival of a fresh keg in a bevy of political campaign colonists, though pretty good, is not a circumstance. The agile igneous belli-etc. hies himself extemporare to the scene of the fire, and by means of natural and artificial endowments administers a solar plexus or some such fatal surgical operation. He enjoys this work so much that he is ready night and day for duty, seldom taking time to visit his family and hardly keeping acquainted with the little igneous bellicosimus humanicuses which swarm the home nest. 4. Prince Henry, during his historical conquest of America, was shown some of the most cherished institutions to be found in a republican form of government, but of all that he saw, including even such eye-openers as the Chicago stockyards, the Milwaukee lakes of beer and the new mercantile schedule in full operation, he said "dot for kvickness, I haf nefer opservet-et-et-t-t yet anyting vot, to der Kansas City fire departments for suddenness, coot ged negxt; vos ist?" Certainly a tribute that should make every true American swell up with pride. 5. The fireman is a modern hero who faces death in worse form than the soldier who charges the enemy; faces it unhesitatingly, daily, calmly, as a matter of duty, without praise, but often criticism. He saves a million dollars' worth of property as coolly as another man saves the price of a shine by blacking his own boots. He saves lives as calmly as another man

INSURANCE DEFINITIONS

crushes out the life of an ant in the path—and at but little more than living wages. (Guess this ought to be good for two comps. to the next firemen's ball.)

Fire - Mar'shal, n. [See Massachusetts Statutes.] 1. A comparatively recent product of wise legislation. 2. A naturalist who makes a specialty of collecting fire-bugs. There are but few of these scientists making researches in this country at present, but the field offers such rich possibilities that the successes of these new bugologists will naturally attract others. To become a fire-marshal one does not enter some university, but the nearest Legislature, where, by means of a stuffed club and a big roll, he secures the passage of a fire-marshal law. Having accomplished this, he then exercises his political pull like a football team before a championship game, and is tendered the appointment as fire-marshal and given a license to do business. With this he has the whole State as his exclusive hunting ground and can pursue his collecting without competition. It thus appears that the profession will never be overcrowded. Prof. Chas. W. Whitcomb, of Massachusetts, has a rare collection of fire-bugs and Prof. S. D. Hollenbeck, of Ohio, though he but recently received his diploma, has already bagged some excellent specimens. The collections are kept in State museums, sometimes called penitentiaries.

See Fire-Coroner, Arson, Incendiarism.

Fire' proof, adj. 1. Proof against fire. 2. An imaginary style of architecture which is impervious to the ravages of fire. 3. Many fireproof buildings, so-called, under proper conditions and surroundings, have presented the insurance companies with most realistic imitations of 50 per cent. claims, and even total losses. Fireproof more properly signifies a lesser degree of inflammability. A fireproof building, judiciously equipped as to occupancy, may become a fire-trap. 4. Fireproofs are a good thing as far as they go, and their construction is encouraged by low rates, but underwriters are learning that the name is a misnomer, and do not spend the money received as premiums on this class of business as soon as they get it, thinking it is as good as earned. 5. There are three or four structures in the United States which are considered as perfectly fireproof, and almost any fire insurance

INSURANCE DEFINITIONS

company would be willing to take a line on them at the minimum rate. Three of these are the obelisk in Central Park, Plymouth Rock and the Golden Gate at San Francisco. 6. A fireproof building is ordinarily innately above reproach, its downfall, if it comes, being due to external hazards and exposures.

Fire' - Trap, n. [A. S. *fyrr; treppe*.] 1. A familiar style of architecture having, as its main characteristic, rapid combustibility. Judging from its general use in the United States its popularity is unquestioned. 2. Fire-traps range in price from two bits up. They are within the reach of all. The poor man may have his cosy little home with gable roof, dormer windows and fire-trap design of flue; or the rich man may build his \$100,000 mansion with great plate glass front windows, modern conveniences, an excess mortgage, over-insurance and an up-to-date system of dumb-waiters connecting the different floors and an imposing mansard roof, all of approved fire-trap construction. 3. Its special attraction is its cheapness. With this style of architecture one can make the most show for the least money. A probable midnight show in the way of a bonfire is its chief drawback and one reason why this style is not popular with fire insurance companies. The other reason is that they are just as likely to burn at any other time. 4. As the name implies, it is made to catch a-fire. (Doubtful.) 5. Fire-traps are favorite roosting places for fire-bugs just before the migration season.

See Special-Hazard, Ninety per cent. of the Indianapolis apartment houses, etc.

Fire Wall, pyhre waughl, n. [From *fire* and *wall*, two common words, which, however, trace direct descent from barbarous Anglo-Saxon hieroglyphics with a certainty that would make the modern would-be aristocrats emeraldic with envy. Notwithstanding their imposing origin, these words may be used by the most ordinary unpedigreed member of society without fear of being called to account by a footman in livery.] 1. A brick or other fire-resisting wall of standard thickness, or over, without openings, and rising a foot or more above the roof. 2. Fire walls are recognized as desirable attributes by the fire insurance companies, but, like other such, they may be over-

INSURANCE DEFINITIONS

done. A building constructed entirely of fire walls would present a very pleasant risk as far as the hazard from exposures would be concerned, but for utility, etc., it would hardly be a success. It might be a nice place in which to run a wildcat insurance company or edit an insurance journal or a personal issue of paper money, but as a plant for a department store or an ice-cream parlor it would be too exclusive. 3. In inspecting a building it is often necessary to ascertain the thickness of a fire wall in the lower stories. As there are no openings, this often requires some ingenuity on the part of the inspector. An adroit mathematician accomplishes the desired end by measuring from the wall on each side to openings in the lateral wall, or to various points out in the street or the alley, or the next county, between which a measurement can be secured. This is very easy where the tape measure is long enough and not inclined to stretch, etc. Some inspectors dig a hole through the wall; some ask the man who made it and some guess at it.

See Standard Wall.

"Did you ever see a fire wall burn?
If not you still have more to learn."

—From *Wisdom a Plenty*. Foot Notes.

Fix' ture, fiks' tyur, n. [L. *figo*, *fixus*.] 1. That part of the equipment of a factory, store or dwelling which is attached to the building. [Note.—A cat may become attached to a particular building for some reason or other, but is not necessarily considered a fixture, at least not in the sense in which it is here used.] 2. That part of the contents of a building which, though not a part of the building, is yet fastened thereto by nails, glue, wire or other binding substance (except, maybe, family ties, mortgage notes and the bonds of matrimony). From the way in which the lexicographer is floundering around this subject, the searcher for truth may conclude that he does not know what he is talking about. In the main this is erroneous, as the following sample list of what really come under the head of fixtures will demonstrate, to-wit, namely: Shelving, gas jets, bathtubs, stationary washstands. That is to say, these things are fixtures if you can stay in the house while the last tenant is moving out, and if you quarter in it a squad of policemen and a few Gatling guns until

INSURANCE DEFINITIONS

the next tenant moves in. Otherwise they are evanescent intangibilities, all legal definitions to the contrary notwithstanding.

See Furniture.

"The wise householder locketh up his *fixtures* in a moth-proof, burglar-proof, tenant-proof strong box while his house reposeth in idleness."—From *Insurance Parables*, Chap. V. V.6.

Flat, adj. [Ice. *flatr*.] 1. Uniform, or affecting all, as "flat advance" in rates. 2. Arbitrary. 3. Though designated "flat," an advance of this nature is properly a perpendicular addition to the altitude of rates in general. It is sometimes referred to by the secular press as "Rates Soar Skyward," "Fire Insurance Rates Take to Balloons," "Sky Rocket Insurance Rates," "Insurance Trust Boosts Rates," and in other figurative and disfigurative terms. Flat advances are never resorted to except as heroic remedies to prevent flat failures. It takes nerve born of desperation to apply a flat advance, for it operates on the public as a home-made mustard plaster acts on a small boy, only, of course, on a proportionately grander scale. As the mustard instrument of torture draws the pain, so a flat advance, faithfully applied, draws painful attention of the most virulent type. [We have no "virulent" type in our print shop just at present, but hope to have a few fonts in time for the next Legislature.]

See Advance.

"You may raise your rates by schedule,

You may raise or else stand pat,

But remember that you've said you'll

Never more advance them *flat*."

—From *The Agent's Plaint*. Chorus.

Flat Build'ing, phlat bild 'ing, n. 1. A structure containing a number of distinct dwellings, all under one roof and having common street entrances. 2. Since his inception man has been a gregarious insect, delighting to swarm in colonies or communities. This trait broke forth as soon as enough specimens existed to make it possible. Of course, Adam and Eve can hardly be said to have been gregarious, but as there were only two of them it should not be the cause of carping criticism. They flocked as abundantly as their limited numbers would permit. 3. The first flats in the United States were built by the cliff-dwellers out in the Rocky Mountains. As far as the records of the Denver inspection bureau show, the insurance rate on these structures was

INSURANCE DEFINITIONS

ridiculously low, probably due to the fact that the playful gasoline stove was yet a futurity and the subtle electric wire had not been introduced by Ben Franklin and his understudies. Whatever may be said derogatory to these primal flats, the present generation must grovel in the humiliation of having lost the art of running one without the despotic rule of a janitor. 4. The modern flat building, besides giving the insurance companies something on which to lavish their imaginary profits, furnishes the sociological student an exceptional opportunity to pursue his pleasant researches. 5. Flat buildings usually occur on corners, and can be distinguished by the size, shape, flat roof, a crowd of children on the sidewalk and a melodious symphonic extravaganza produced by a score, more or less, of pianos undergoing simultaneous operations.

Syn. Apartment House.

Flex'i ble Pre'mi um, n. [*L. flexibilis*, bending, and *præmium*, profit derived from booty.] 1. A premium which is capable of being bent, turned, twisted, warped or stretched without breaking. 2. Susceptible to monetary climatic conditions. 3. Changing, fluctuating, aggravating, amazing, irritating, exacerbating. 4. The flexible premium is commonly found associated with policies of the assessment persuasion and congenial. 5. It is a humorist, and takes pleasure in springing little surprises on its owner. A flexible premium which calls for two quarts of assessments in the evening may be put up on the pantry shelf over night and by morning have increased its capacity to three quarts or a gallon. Of course, variety is a good thing in any life, but it has its places, one of which is not in a life insurance premium; so when a man discovers that his is getting frivolous and erratic it loses its high place in his regard. He gets rid of it if it is not too late, but he often has to keep it because he finds that he is no longer in demand with the companies dealing in the inflexible variety. 6. One of the great public questions of the latter part of the nineteenth century was, "How far will a flexible premium stretch without breaking—the man?"

See Premium.

Compare Level Premium.

"A flexible premium is a poor thing to tie to."

—From *Rubber Reports*. Sec. 6.

INSURANCE DEFINITIONS

Floa'ting Pol'i cy, phlo'te' ing pol' isy. [From *floating* and *policy*.] 1. A kind of comprehensive charitable fire insurance policy which spreads out promiscuously over a variety of properties, generally contained in several buildings or in transit. 2. Some fire insurance policies are very narrow-minded, confining their interest to very specific items and designating in just what way they must be burned if the policy is to become a claim. Floating policies are not thus. In fact, they are exceedingly not. It is well for certain classes of business that there are such things as floating policies, otherwise they would soon sink. Railroads, street-car systems, grain dealers, shippers, etc., are the class of insurers to whom floating policies appeal. 3. The term "floating" has no significance in a moist way, any more than floating rib or mineral float. It was just used because it happened to be lying around handy when the man who made the first floating policy needed a name for it.

For'eign Com'pan y, phor' yn kom' pan i, n. [From *foreign* and *company*; it is not necessary to go into exhaustive details.] 1. An insurance company which was born in a foreign country, but, realizing its mistake, has emigrated to the United States and become naturalized. The immigration laws of the United States, as affecting insurance companies, are quite strict, and no company can hope to slip through Castle Garden and win the American shekels with its hand organ unless it puts up an admission fee of \$200,000. This is not considered a gate receipt asset, to be used for the profit of our political mechanism, but is fumigated and held in trust, to be returned to the adventure seeker after it has had enough and wants to go home. This simply insures the respectability of a company, and that it will not jump its board bill or its reserve for unpaid losses account and such luxuries. 2. Insurance companies of many different countries have complimented the United States by coming over here and helping out the home companies in the paying of losses. Some claim that the visitors have of late, in their excessive generosity, let their desire to please get the better of their underwriting discretion, and a number have been compelled to pack up their fractured resources and their urns of ashes, have accepted the return of their deposits and have meekly gone home, sadder and wiser, and somewhat overdone in spots. 3. A foreign company in one place is a

INSURANCE DEFINITIONS

home company in another. 4. Companies of "other States" are sometimes designated "foreign companies."

For / feit ure, phor' phit pur, n. [L. *forfaiture*.] 1. The nullification of a life insurance contract by the insured through neglect, intentional or unintentional, to comply with any of its requirements. 2. Poetically speaking, the sawing off of the limb between one's person and the main trunk. 3. Life insurance contracts are like timepieces: they must be wound up at regular intervals. There are twenty-four-hour clocks, eight-day clocks, thirty-day clocks and clocks that must be wound once a year. And there are industrial life policies with premiums weekly, and "provident policies" with premiums monthly, and ordinary policies with premiums quarterly, semi-annually and yearly. If they are to keep going they need periodical attention. Again, there are the erratic nine-mile spring watches, at five a bushel, that must be wound whenever you think of it, and even then they go wrong, and there are the assessment policies, that are likely to call for financial encouragement when you least expect it or feel like giving it, and they, ditto, even then go wrong. In the last-mentioned variety forfeiture is generally the only specific remedy.

Form, (pronounced as spelt), n. [L. and It. *forma*.] 1. A clause descriptive of the risk in point, to be attached to or inserted in a fire insurance policy, of which it becomes a part. 2. Many classifications have standard forms in general use, but often specific cases require specially drawn forms. 3. Forms are not prepared with any particular stress as to literary merit, except maybe as to strength and directness. Any clerk who attempted to curry favor by writing his forms in verse would find his talents misplaced—also himself. 4. Where several policies cover the same risk it is expedient that the forms in each should be alike. Where this is neglected it is sometimes discovered after a fire that a policy is like the earth was in the beginning—"without form and void."

"The *form* was for a tombstone joint
But somehow it got swapped
With a drug store *form*—you see the point—
The druggist also dropped."

From *I Wish I Had a Job*, V. 8.

INSURANCE DEFINITIONS

Frame Build'ing, n. [Derived from the nearest lumber yard.] 1. A style of architecture common to America and other places where lumber is cheap. A structure made principally of wood. 2. A delectable tid-bit for the fire fiend. 3. Frame buildings are the reason that the United States has the fastest fire departments in the world, the most advanced types of fire apparatus, the most complete water systems—they are the natural result. Frame buildings in such an abundance are also the reason, in a large measure, why this land of greatness leads all others in the altitude of its average rate for fire insurance. 4. Frame buildings are commonest as places of abode, but many misguided economists have built business establishments, large and small, of this same and uncertain material.

See Dwelling, etc.

Frame Range, n. Three or more frame buildings of so sociable a nature that a fire in one will communicate readily with that or those adjoining.

Fra ter'nal As so cia'tion, n. [L. *frater*; Anarch. *assoclare*.] 1. A social and insurance club on the assessment plan. 2. A brotherly arrangement often entered into by shortsighted individuals whereby the families of the ones who die first receive contributions from the survivors. The longer a member insists on living the slimmer are his chances of leaving an insurance asset. 3. The chief affliction of fraternal associations is their childlike faith in the pocket-reserve idea. [See same.] If this alone does not prove fatal they generally adopt names which are well qualified to provide a finish. They are regular orphan asylums, so to speak, when it comes to adopting names. The Occident, the Orient, the present, the past, the skies above and the earth beneath are ransacked for suitable epithets (let it stand) and one gets his money's worth in long robes, tin stars, brass-headed broomsticks, gilt crowns, boiler-iron scimiters, horse hair whiskers, goatimobility, mysterious handshakes, signs, symbols, passwords, signals, imposters and defaulting potentates if he does not win out in the insurance deal. Lovers of music are prone to join fraternal orders so they can be buried to the accompaniment of a brass band. It seems to make them more willing to leave this mortal sphere and death is welcomed as an emancipation. 4.

INSURANCE DEFINITIONS

Fraternal associations have their place and it ordinarily takes them about twenty-five years to get there.

See Assessmentism.

Fra ter ' nal ism, n. See Fraternal Association.

Fraud, n. See Buncoism.

Fur ' ni ture, phur' ne chur, n. [Dagonish *fornitura*.] 1. Articles of use or ornament necessary to the habitability of a dwelling or place of business; movables; chattels; effects. 2. Creature comforts. 3. That without which a house would be unoccupied and vacant. 4. There are several little striking characteristics about furniture worthy of note in passing. A room, which may appear to be meagerly furnished when lighted, is always as crowded with chairs, stoves, tables, beds, hardware, profanity and other ornaments as a junkshop, when wrapped in the folds of unilluminated night. This undisputed fact has long defied an explanation from scrutinizing science, and will probably continue to rank with other like mysteries, and have a salutary tendency to check the growing impression that nothing of knowledge lies beyond the limits of finite comprehension. What father, head of a growing and exacting family, has not arisen in the stillly night to give the ever-ready paregoric bottle a chance to get in its good work, or to put out the overlooked cat, or to attend to any one of ten thousand exploits of domestic economy common to hours stillly for other people, and has marveled at the sudden and excessive presentness of the one rocking chair? He has even been led to doubt his senses, or rather sense (feeling), and has hastily scratched a match, hoping to surprise some temporary magic multiplication into permanency. But he is always disappointed, and there seems to be room enough in which to turn a load of hay without touching. Another point, of interest to fire insurance companies, is the remarkable appreciation in furniture values which follow a fire. A three-legged cripple of a bed, worth in the open market six bits, has been known to make fifty dollars' worth of ashes. Oak and poplar articles produce mahogany cinders. Family ties or associations are a style of upholstery that insurance companies find expensive. One adjuster recently passed

INSURANCE DEFINITIONS

upon a relic which had three visible family ties (two rope, one wire) and no end of invisible associations, which he was besought to consider in the appraisal.

See Fixtures.

G

Gas 'o line, or lene', n. [Scandihoovian, *ghazelhn*, jerked hence.] 1. A product of petroleum and the devil. Used for heating, lighting, cooking, power, cleaning, bed-bug and fool-killing, rate raising and general extermination. These are a few of the standard uses of the fluid. It is an expansionist in every sense of the word, with a few other senses thrown in for good measure, and its field of usefulness and destructiveness is ever widening. Among its recent undertakings is the propulsion of automobiles. This style of locomotion is said not to be unpleasant to the one propelled, but when it gets under a fellow, as it sometimes does, and gives him a swift kick into the unknown beyond it is not joy that he dies of. 2. Its chief fault is its volatility. If it were not for this it would be robbed of its hazard—and, most likely, its usefulness as well. 3. Any one wishing to risk a sudden departure over the gasoline route by harboring it on his or her premises must obtain permission from the company writing his or her fire insurance if he or she wishes to leave it as an available asset to his or her estate. 4. Gasoline is a good thing to start a fire with—a big, quick fire.

Gen 'er al A 'gent, jen' er al a' gent. n. [L. *generalis*, *genus*, a kind. L. *ago, agens*, to act.] 1. An agent of an insurance company having a large territory under his control and ordinarily receiving a commission compensation. 2. Not a military title. To see one on the street you would never mistrust his greatness. They do not wear uniforms, though occasionally one affects a silk hat and a twenty-five-cent cigar, but these features are not characteristic and can not be relied upon. Viewed from the local agents' standpoint the life of a general agent is an eminence of joy, a pinnacle of ease and contentment, or as an American would say, "a cinch." The general agent himself is either unappreciative

INSURANCE DEFINITIONS

or the local agent's focus is not properly adjusted, for he has been heard to remark on his lot in terms quite the opposite—and he ought to know. 4. The general agent is employed to develop territory, break in raw men, transmogrify inertia into activity, fill allotments and other bottomless pits; and no matter how well he does one year he is expected to do better the next. He is continually accomplishing the gymnastic impossibility of preceding his shadow when the sun is at his back.

See Manager.

Gen' er al Form, n. A form which covers several items.

Gen' er al Pol' i cy, 1. A policy written under a general form. 2. Not a military title.

Gift In sur' ance, n. [Indig. U. S.] 1. The fruit of the bonus tree, arbor donorum. It ripens commonly in the fall, the maturity of the fruit being hastened by the approaching change in the calendar and the amount being governed by the difference between business written and allotment, two botanical terms which it is hardly worth while to explain to those who are not thoroughly conversant with technical phrases. Gift insurance, though pleasant as an article of diet, is pronounced by competent specialists to be unwholesome food, perverting the taste of the one who indulges, so that he finds the plainer, but more substantial, varieties of insurance nauseous and unsatisfying. Thus it is that the victim of gift insurance is sure, sooner or later, to discover along towards Christmas that the crop of gift insurance for that year is light, and, as he has so long abstained from the plain kind that he can not use it or get it, he is distressed to notice the approach of a long, cold winter, and with never a peck of insurance in the cellar to meet it.

See Bonus.

Gold Brick, n. See Fake.

Good Faith, n. 1. The *sine qua non* of effective association work. The soul of it. Nevertheless associations often keep

INSURANCE DEFINITIONS

up an appearance of vitality, even after the soul has departed. Such are known as frosts. 2. Good faith is unselfish loyalty to the obligations of good practices.

Green Goods, n. See Fraud.

Gross, adj. [F. *gros*.] 1. Undiminished by deductions; entire. Not specific or detailed. Sum total; aggregate. 2. A common term in underwriting phraseology, as gross premiums, gross losses, gross profits, etc., also et al. 3. Gross results in underwriting are often used to make impressions which would vaporize in the presence of net results. By skillful manipulations of gross and net items, the statement of a financial Rock of Gibraltar (nothing personal intended; had to borrow the Rock for effect) can be made to look like a cross-section of a Kansas cyclone, while the diagnosis of a shifting sand assessment calamity may be made to resemble an approved statement of the Bank of England. However, it takes an expert to do this successfully, one endowed with more or less hypnotic influence, and it would hardly be safe or sanitary for a novice to attempt it on an able-bodied, enlightened intellect. 4. The gross premium is the premium, raw from the producer, unshorn of its reinsurances, commissions or other by-products. Gross losses contain possible reinsurances and other features which will make the net losses more bearable to the naked eye. And so on, gross items are reduced, by subtractions, to net results. 5. Opposite of net. [Which see.]

"Gross profits, net loss—
Gross failure, fired boss."

—From *Dainty Insurance Conceptions*. Canto IX.

H

Haz'ard, n. [It. *azzardo*.] 1. That which tends to menace or endanger the security of a risk. 2. The spice of life. 3. Insurance companies are, in fact, but collectors of data or hazards of various kinds, which they compile and call experience. They pay well for every individual specimen of hazard which they add to their collections, and many have thus, through long years of research, secured exhibits which represent fabulous expenditures of

INSURANCE DEFINITIONS

money. 4. Life and accident companies are connoisseurs of the numerous styles and classifications of hazards that tend to effect a premature separation between the soul and its mortal tenement or which cause damage or disfiguration to said tenement. An enthusiastic company has been known to pay as high as \$5,000 in cash for a dynamite case when the subject had been distributed simultaneously over an entire congressional district. Others have bought in job lots of church-social ptomaine-poisoned specimens. Of a verity their versatility ranges from the subtle caress of a carnivorous chigger to the awful end which punctuates with a period the Doreically illustrated career of the victim of an avenging hand of fate. 5. Fire insurance companies naturally make a specialty of fire hazards, and what a company does not know about gasoline, benzine, defective wiring, open stairways, valued-policy laws, odorous moral hazards, etc., it will learn in time if its assets hold out.

See External Hazard, Extra Hazardous.

"The air we breathe, the food we eat, the water we—the water we bathe in—in all these lurk hazards we wot not of; and it is well we wot not."

—From *Stolen Thunder*. Vol. XXIX, Chap. VIII, Page 10.

Haz'ard ous, adj. 1. Dangerous. 2. As an insurance term it generally applies to describe the nature of occupations or pursuits, and is governed in degree by the suddenness with which something may fly up and hit the occupied or pursuer or otherwise cancel his mundane engagement.

Hol'o caust, n. A fire which is attended by serious loss of life. Generally the direct result of greed on the part of the owner of a building who is too stingy to provide proper exits. Exits cost money. [No. The word does not originate from *hole* and *cost*. That is merely a coincidence, and the fact that the similarity struck your notice is merely an indication that you are a punno-maniac.]

Home - Of' fice, home-of'fis, n. [Of the nineteenth century vintage.]. 1. The executive fountain-head of an insurance company. The inner circle, the center of influence, the sanctum sanctorum. 2. Home-offices are generally found in large cities,

INSURANCE DEFINITIONS

though a number of healthy specimens have been discovered in unpretentious towns and even villages. The more vigorous are commoner east of the Alleghenies than west, due to the early development of that section and its bracing financial atmosphere. Some of the most imposing specimens of the world are found in New York City, quite a number having attained several hundred feet in height. Hartford, Conn., though not a large city, is also world-famed for its home-offices. 3. To the local agent, the home-office is a mysterious, awesome somewhere, from which an inexhaustible supply of blotters, calendars and other necessities of the business flow. A place which he approaches in unshod reverence if fate and courage permit him to visit the shrine. A place from which he returns to his colleagues surrounded by an air of acknowledged superiority.

I

Im pair / ed Cap / i tal, n. [A couple of words that have become so sociable in the opening part of the twentieth century that their final conjugation by a hyphen is daily expected.] 1. A capital which has been more or less damaged. 2. A capital from which the nap, or surplus, has been worn in spots. 3. It sounds anomalous, but is no less true that the capital of a new insurance company is more likely to become impaired than that of one which has been long in use, but well cared for. A company which attempts to open shop with only a desk, a few chairs, a typewriter, some supplies and a bran new unprotected capital can hardly expect to do business long without impairing the latter more or less. The trouble comes from the necessity which devolves upon said capital to support the growing reserve and do other work for which a truly aristocratic capital is unfit. The capital is intended simply to look impressive, dignified and happy, but when it has to sit up night after night with a growing reserve and a teething expense account it naturally looks worn and tired in the mornings and wears rings under its eyes and other cheap jewelry. Still young and vigorous capitals, blessed with exceptional constitutions (and by-laws), have been known to do all their own housework unaided for some time without breaking down or showing signs of impairment until the company was able to afford a sur-

INSURANCE DEFINITIONS

plus, that natural and necessary servant of a contented capital. 4. Although impairment of capital is to be viewed as reprehensible, it is not necessarily a sign of certain decay. It may be mended and the repairment may be so neatly and substantially done that its utility as a capital will be as good as originally. Still it will ever after encounter archaeologists who will point to where the crack was and shrug their shoulders and show other signs of morbid delight. 5. Any insurance company having an impaired capital had better take it to the repair shop at once as delays are dangerous and an impaired capital, like an impaired boiler, may transform the true inwardness of the blooming plant into sad but true outwardness at any unannounced moment.

See Capital.

Im paired ' Lives, n. 1. Lives more or less damaged from the wear and tear of every-day usage. Most people are careless with their lives and treat them as if they had at least a dozen and could afford to waste a few. It is not at all uncommon to notice one being left exposed to a twenty-four karat pneumonia draft, or left out in the rain, or overworked without extra pay, or half fed, or worried to death. Some men too attempt to preserve theirs in various alcoholic products, and some cure theirs with tobacco smoke. These are but a few of the causes of impaired lives. 2. Impaired lives are commonly discoveries on the part of life insurance medical examiners; for a man may unknowingly be using a life that has a large crack across the left lung or a heart valve with the leather almost worn through or a punctured kidney; in fact, a multitude of defects may exist of which he is not cognizant until his context has been carefully perused by the lynx-eyed physician. 3. Some companies make special provisions for insuring impaired lives where the defects are not too serious, but, generally speaking, from an insurance standpoint an impaired life is like an impaired egg.

Syn.—Substandard Lives.

See Rejected Risk.

In cen ' di a rism, n. An incendiary act. The occupation of a fire-bug.

In cen ' di ary, in sen' de a re, n. [Pollock *ynskendeneski*.] 1. An unhangd criminal. 2. One who maliciously burns up prop-

INSURANCE DEFINITIONS

erty. 3. A flaw in the social fabric. 4. His Royal Blazes, Nero, among other pre-eminent evil traits, was the arch-incendiary of the world. The only thing that can be said in his favor is that he did not burn Rome to get the insurance money—at least there has been no open accusation filed at the time we go to press. The insurance idea seems to be an outgrowth of more advanced civilization and probably originated since the establishment of the insurance departments in our systems of social economy. 5. Insurance companies are so fond of incendiaries that they offer large rewards for specimens delivered to them in cages or packed in ice. If an especially active specimen is known to be operating in a community, the reward is increased from time to time until he is caught or retires. 6. In some communities dead incendiaries are much preferred to live ones, and when one is caught it is quickly revised to suit the popular taste by means of a rope and the limb of a tree. Many incendiaries, however, escape captivity, and this encourages others to try a hand. 7. Some courts show suspicious leniency towards this class of malefactors. A good fire marshal law, vigorously applied where needed, is an excellent remedy.

Syn. Fire-Bug, Pyro-Maniac.

See Conflagration.

In con test ' a ble, adj. [Somewhat of a syndicate of Latin words; *in* not, *cum* with, *testis* witness and suffix—*abilis*.] 1. Not contestable. 2. Immune from court scrutiny, criticism and discouragement. 3. With the growth of the life insurance business and the experience of accumulating years, the companies gradually became more and more liberal in their forms of contracts as they found justification and as they were pressed by competition for public favor. The incontestable policy was one of the fruits of this evolution. 4. Settlement usually can not be denied on an incontestable policy except for non-payment of premium, and it may be made incontestable from date of issue or after it has been in force a certain length of time. 5. Unrestrictedly incontestable policies are sometimes criticised as detrimental in several ways. It is claimed that the holder of such a policy may get to brooding over how much more he would be worth as a death claim than he is as an animated premium payer, and in a moment of misdirected philanthropy may accomplish the

INSURANCE DEFINITIONS

transformation. Nor are such instances foreign to actual experience. However, companies will doubtless be able to continue the writing of incontestable policies without fear of depopulating the earth.

In dem' nity, n. [*L. indemnitas.*] 1. Compensation for loss. 2. In its broadest sense our contemporary Worcester states that it implies "security or exemption from danger, loss, injury or punishment." An occasional genius seems to place this liberal construction on an insurance policy, but insurance companies, still being limited to the restrictions of finite possibilities, are unable to qualify for such a high standard. Of course it is not safe to conjecture or to speak too positively as to the future, but it will probably be some time yet before companies will furnish immunity instead of the present brand of indemnity. 3. The stock in trade of insurance companies. It varies in quality like other purchasable utilities and, in this, as in other cases, the best is the cheapest. There are always lots of imitations on the market which are adulterated or altogether worthless. The genuine article is always stamped with the State seal, although this is not a safe guide, as the judgment of politicians on matters of finance, of however honorable intent, is not notoriously infallible. 4. The range of the classes of indemnity which may be purchased is only limited by the number and variety of styles of human financial misfortune and woe—fire, life, accident, health, etc., etc.

See Insurance.

In divid' ual Un' der writers, n. 1. A bunch of disgruntled property owners who are tired of paying "exorbitant" fire insurance rates and get together for mutual sympathy and interinsurance. Naturally composed of classes on which the rate has been high because of heavy losses, and commonly even then not as high as it should be. When such flock together the result is easily imagined. The selection being bad to begin with, the cost will be still higher in the end. But they like it, so let them.

See Mutuals, etc.

In dus' tri al In sur' ance, in dus'tre al in shur'ans, n. [*Fr. industriel.*] 1. Insurance for the industrial classes. Not so named

INSURANCE DEFINITIONS

because of the work necessary to write it. An established system in life insurance, though it has been tried to a certain extent in the other branches of underwriting. Insurance for small amounts ranging from a week's wages to a month's salary with premiums payable in weekly installments. 3. Industrial insurance companies are generally recognized as robbers—robbers of poorhouses and infirmaries, cheating them of many victims. 4. Classically referred to as "penny-ante insurance." 5. Its growth, which is the marvel of the age, is as rapid as the growth of a popular public sentiment, and as substantial as the Rock of Gibraltar. 6. It impresses life insurance upon the masses as a necessity instead of upon the few as a luxury.

In her'ent Haz'ard, n. Inherited hazard. The natural hazard.

See Internal Hazard.

In im'ical Leg is la'tion, in im' i kal-led jis la' shun, n. [Both of Latin pedigree.] 1. Legislation detrimental to insurance interests. An affliction to which all insurance companies are prone. It breaks out in various forms which become epidemic whenever they appear, usually affecting all the companies operating in a State. The two most virulent types are valued-policy and anti-trust laws. Besides these there are many others which keep the companies wearing flannel rags around their necks and dosing with quinine, camphor, increased rates, reduced expenses and profanity. Though valued-policy and anti-trust laws commit such ravages on insurance systems one attack does not make a company immune from future visitations. The number of times a company may take either is limited only by the number of States. 3. Inimical legislation is generally caused by the unsanitary condition of the morals of legislators who recognize in such acts a chance for grand-stand plays in the sight of their constituents or a club which will put them in financial "touch" with the lobby. 4. Vaccination, performed by injecting a tincture of gold virus into the legislator, has been tried, but legislators learn to like it and to expect it, and so this purchase of legislative bodies has been abandoned to a great degree, for it is as expensive as it is to buy the ashes which always follow such measures. Besides,

INSURANCE DEFINITIONS

the voters, who are also the property-owners, in time learn to their sorrow the folly and costliness of unjust insurance laws and at the next election they insert a large spike into the bubbles of aspiration nursed by the lads who voted for them. 5. Inimical-legislation is one of the strongest arguments for national supervision. [See same.]

See Anti-Trust Laws; Valued-Policy Laws; etc.

In spec' tion, n. The act of inspecting.

See Inspector.

In spec' tion Bu' reau, n. Not a piece of furniture, but a department or office for inspecting risks and making rates. Usually equipped with a chief inspector, several little inspectors, a clerk or clerks, maps, sample fire extinguishing devices, insurance journals, an air of autocracy and an audible expense account.

See Compact, etc.

Compare Board.

In spec' tor, in spek' tor, n. [L. *in* and *specio*.] 1. One who or that which inspects. 2. An individual of consuming curiosity who employs his time investigating risks and reporting his discoveries to fire insurance companies. Inspectors are a natural product—that is to say, born, not made. The ideal inspector is all eyes—figuratively speaking, of course; and “eyes,” not “I’s.” Those that are all “I’s” are not (i)deal. [Written permission to use this in polite society will be granted by the perpetrator upon request, accompanied by return postage.] An inspector who is profitable to the companies sees everything in a plant or property that could have any bearing, immediate or remote, on the fire hazard. He sees in imagination just what any fire with natural tastes and aptitudes would do wherever it might take a notion to begin business in a building, and just what features of construction or destruction would encourage its branching out and expansion. The inspection slip to him is merely suggestive, as every risk is individual and presents conditions entirely characteristic, and must stand on its own merits. A careful inspector can save his companies the amount of his salary every day he

INSURANCE DEFINITIONS

works (but can not always make them see it). 3. In life insurance, one who goes about inspecting or auditing agency accounts.

"The suspected *inspector* expected respect."

—From *Insurance Kindergarten Homilies*. Page X.

In stall / ment, n. [L. *in* and Ger. *stal*.] 1. A specified part payment on a matured life insurance policy. 2. Installment policies are one of the wise products of latter days, the direct result of an effort to offset the consequences of feminine incapacity businesswise and heartless human cupidity. It was learned by repeated experience that the purpose of life insurance was often defeated where the beneficiary was a woman unacquainted with business ways and, not knowing how to handle the large sum left suddenly to her care and disposition, she soon spent the principal or lost it through injudicious investments and was reduced to the very condition from which her protector had hoped to save her, or she, through misplaced confidence, lost the money to the advantage of some unprincipled knave, specimens of which unhealthy microbes are always on the lookout for such victims. To defeat these unfortunate conditions many companies issue installment policies which, upon the death of the holder, are paid in periodical installments, which are continued until the full face of the policy is satisfied or until the beneficiary follows the party of the second part. 3. Life insurance installments are the pension payments of the Grand Army of Regenerates. 4. Installments paid annually are also known as annuities. The acquaintance is also said to be highly enjoyable.

In sur / a ble In / ter est, n. [Idiom. U. S.] 1. A connection between two lives which, terminated by the death of one, means financial loss to the other—the one said to possess the insurable interest. 2. The dollars and cents interest of one person in the life of another. 3. In the United States the insurable interest feature is made the *sine qua non* of a life insurance contract, though in England it is considered a minor detail. It is a common practice over there to note the health bulletins on the King or Queen every morning, and, if symptoms of an early decline appear, the venturesome take out a policy of a few thousand pounds on their beloved monarch or monarchess, and then spend the next few

INSURANCE DEFINITIONS

weeks while the policy is in force in a purgatory of conflicting emotions—patriotic anxiety that the insured may live and a sordid lucre anxiety that the insured will live. This happy practice is not confined to crowned heads, but M. P.'s in silk tiles, prominent authors and poets in crush felt hats, and even American magnates in Panamas are also certain to become principals in thousands of policies of which they are ignorant, and their state of robust health comes to be viewed by many as a national calamity. To say the least this is embarrassing. (Note.—It just occurs to me that this is why I have never yet gone to England. I had supposed that there was some other reason.) 3. In America we have found that we can get rid of our great men more rapidly and effectively by means of the trolley car, the automobile, ice-cream socials, Anarchists and the deadly strenuous life, so the law has demanded that a due regard be given to the important sanitary subject of insurable interest. While the American is dodging death (and taxes) in multitudinous forms, he at least has the comfort of knowing that he is not pursued by the anxious glances and the infernal machines of a horde of unknown beneficiaries. He has the satisfaction of knowing just what individuals will hail his demise with a burst of unquenchable grief and a wild scramble to be present at the distribution of the fruits of his life's labors. We Americans point to this feature of our *E Pluribus Unum* institution as not the least of its ornaments. 4. An insurable interest may result from the natural dependency of one upon another, as wife upon husband, children upon father, mother upon son, etc. upon etc., or may be created because of a debt or financial obligation between men not related. It is voluntary or involuntary, as the case may be.

In sur'ance, in shur'ans, n. 1. An agreement to indemnify in case of the occurrence of a certain contingency in consideration of a payment called a premium. But what's the use of defining this word? You all know it in all its phases from actual daily experience. It is like trying to tell a blacksmith what an anvil is.

Insur'ance Com mis'sioner, in shur'ans kom mish'un er, n. [Coined in eighteen hundred and something. The exact date is

INSURANCE DEFINITIONS

rubbed off.] 1. One empowered to supervise insurance interests. 2. That official vested with autocratic control of the insurance companies operating in his State. [Colloq. U. S.] 3. A title at once an honor and a disgrace, exalted and debased, held sacred and abused, praised and cursed. 4. The office is generally a political plum and is handed out with no thought of the recipient's qualifications insurancewise. It is natural then that many insurance commissioners exist for revenue only. The office is always furnished with an assortment of clubs, alias sand-bags, alias laws, which are used with much personal profit by unscrupulous officials. A systematic use of these clubs is known as a "raid" or a "hold-up" and is as honorable and as welcome as those conducted by professional safe-crackers. 5. It has been asked, "What is so rare as a day in June?" A no more fitting reply could be made than, "An honest, upright, fair-minded, well-meaning insurance commissioner who conducts his office with integrity for the best interests of his fellow-citizens and with fairness towards the companies under his supervision." There have been a number of such men and they are always thoroughly appreciated—after they are gone.

Syn.—State Insurance Superintendent, Commissioner of Insurance.

See State Supervision.

In sur ' ance De part ' ment, n. [Barbarism.] 1. A State office, primarily for the collection of fees, taxes and perquisites from insurance companies and secondarily for the supervision of their operations. 2. Some insurance departments are conducted with a conscientious regard for their highest possibilities for good—nor are such instances markedly rare, be it recorded to the credit of the officials in charge; but others have been misconducted with a conscienceless disregard for anything but their lowest possibilities as a means of personal gain—nor are such cases exceptionally rare, be it also recorded, and to the shame of the offenders. 3. The functions of an insurance department are to collect taxes and fees, issue licenses to companies and agents, to examine companies, to see that legal requirements are complied with, to prosecute malefactors, to answer questions, to tree wild-cats, to order receiverships, etc. Most insurance departments

INSURANCE DEFINITIONS

also find time each year to issue a neatly-bound volume of poems entitled "Annual Report" or "Another Year Slides Softly By." These are always remarkable for their figurative language and pure English and are undoubtedly (coined) valuable additions to our literature. 4. Insurance department also signifies the insurance branch of an office which carries on several lines of business all under one tent.

See Insurance Commissioner.

"The receipts of the *insurance department* for the year 1901," etc.

—From *47th Ann. Rep. Mass. Part I, XIX.*

In sur / ance Jour / nal, n. [Typographical.] 1. A periodic or semi-periodic publication devoted to the interests of insurance and its publisher, or vice versa. 2. The insurance journal is always free to admit that its presence is a great boon to insurance interests, and that without it the operations of insurance companies would be but as the blind gropings of lost planets in measureless chaos or the futile endeavors of an absent-minded editor to find his shears when they are hanging on their proper and conspicuous hook at the side of his desk. 3. The province of an insurance journal is like unto that of a mirror, showing the companies to themselves as they appear to others. But there are mirrors with flat surfaces, mirrors with convex surfaces, others concave, compound, complex, cracked, and some with no surface at all, which either hand over the reflection as it is or twist it so its own author would not know it. There may not be as many varieties of insurance journals as there are of mirrors, but some of the companies think so. A good silver back is necessary to proper reflection on the part of a mirror. With an insurance journal silver is good, gold is better, but even a greenback will do. [It is not necessary to carry the figure farther.] 4. Insurance journals also print history—current and ancient—besides much biography, chronology and fiction, with occasional sprinklings of verse. One authority claims that at certain times of the year, presumably at hog-killing time, they publish link sausages, bologna, wienerwurst and pickled pig's feet. This has been denied by some as an attempt to disfigure the fair escutcheon of a noble institution, while others are inclined to acquiesce.

See Insurance Journalism.

INSURANCE DEFINITIONS

In sur'ance Jour'nal ist, n. 1. One who or that which writes on insurance topics for publication. 2. A species of newspaper man which makes a specialty of insurance. It is commonly found in a lair or nest called a sanctum, where it gorges itself on exchanges, statistics, annual reports, statistics, mortuary tables, statistics, paste, statistics and other insurance literary products and impedimenta. It can devour, digest and compile a dozen pages of statistical tables while the ordinary mortal is finding which way to hold the book to read the headings of the columns. 3. Whatever may be said to the contrary, the insurance journalist is normally an optimist. He can usually find merit where the competing world at large sees nothing but mismanagement and ultimate destruction. He keeps plugging away for reforms that never come, but is always cheerfully and hopefully persistent. He beards rebating, twisting, rate-cutting and slander in their dens. He hacks off the Medusa-like heads week after week, only to find them hissing continually in his ears. He is always ready and able to give advice on the most knotty propositions. He maintains a comprehensive grasp on all branches of underwriting, and is as much at home in discussing schedule rating in fire insurance or reserve values based on the Actuaries' Tables of Mortality and three per cent. interest in life insurance as he is in treating on the true factor of safety for reserves on liability business. He is the clearing house, as it were, of the insurance world. He can advise a new company how to go into the business; he can advise an old one how to get out. He points out mistakes and their remedies. He heralds merit and its rewards. At certain seasons of the year, would you believe it, he edits sausage links and other pork products. He handles the shears with the grace of an old swordsman with his foils. The salary of a railroad president? No, hardly. He works for the love of it.

Send in for a subscription blank.

In sur'ance Of'fice, n. An office dedicated to the business of insurance.

See Insurance Department, Agency.

In sur'ance Pa trol', n. See Salvage Corps.

I. D.—7.

INSURANCE DEFINITIONS

In sur'ance Trust, in shur'ans trust, n. [Colloq. U. S.]

1. An imaginary bug-a-boo. 2. A term commonly used by legislators to inflame themselves into passion and "acts" of violence. 3. A mythical financial monster supposed to devour the substance of helpless merchants, manufacturers and citizens of all classes. Accounts of its appearance by eye-witnesses are printed periodically in the daily papers, which are as well accredited as accounts of the annual visitations of the sea-serpent at certain seaside resorts, though more generally accepted. It is described as having great, fiery jaws, which close with a crash of thunder upon vast fortunes which are brought to it by great tentacled arms stretching across the continent.

See Octopus, Trusts, Monopoly, Corporations, Capital.

In sur'ant, n. One who is insured. A member of the majority nowadays and a person of sound sense and foresight.

In sure', in shure', v. t. [O. F. *insurer*.] 1. To contract to indemnify or to pay a certain sum of money upon the occurrence of a possible disastrous contingency, such as fire, accident, flood, tornado, matrimony, twins, etc., or of an unavoidable certainty such as death. Besides death, there is said to be no other sure thing on earth but taxes, insurance against which is not directly issued so far as authorities are aware, though doctors, lawyers and fashion are doing their best to insure their chronic clients as little annoyance from this style of the inevitable as possible. Some also escape for a time by not owning anything and keeping continually on the move. This remedy has its drawbacks, which are greater than the actual physical inconvenience of paying taxes, and, if indulged in generally, would doubtless seriously impair the atmosphere of domesticity for which the sociological climate of North America is famous. 2. To assure or to guarantee immunity from. This is one of the general applications of the word, and has been erroneously taken by some as a function of insurance companies, but those who have purchased fire insurance under the impression that it was fireproofing, or accident insurance believing it to be a modern bath in the Styx, or health insurance with the idea that it meant the installation of a boiler-

INSURANCE DEFINITIONS

iron digestive apparatus and a copper-lined capillary system, or life insurance believing it to be a certificate of immortality, have generally been disappointed.

Syns. Assure, Ensure.

“*Insure your house, insure your life,
Insure your health, insure your wife,
Insure all you hope to keep
And so insure a good night's sleep.*”

—From *Insurance Jingles*.

Page 2.

In sur'ed, n. Same as insurant.

In sur'er, n. One who or that which insures. Generally a corporation or an association.

In ter me'di ate, adj. [L. L. *intermediatus*.] 1. Our facetious contemporary, the “Standard Dictionary,” among other uncomplimentary insinuations as to the good character of this word, calls it an “interlobate” and a “syzygetic function.” The crying need of an impartial and unprejudiced reference book on respectable insurance terms is at once made manifest, and the compiler of “Insurance Definitions” is encouraged to grasp his No. 2 pencil with new determination and interest. 2. The “Standard” to the contrary notwithstanding, “intermediate” is a simple term applied to a class of life insurance policies which fill the narrow space between ordinary and industrial. First came ordinary, then industrial, whereupon underwriters discovered that still some of the great mass of humanity was slipping through their nets, and, in order to hold these, the intermediate department was created. Policies ranging from \$500 to \$1,000 and from the north pole to the south may be acquired in this class. The premium-paying arrangements are also adjusted to fit—oftener than on the ordinary plan and commonly less frequent than the industrial. 3. The intermediate department might also be designated as the preparatory department in the life insurance educational scheme, connecting the graded and high school industrial stage to the college ordinary stage, but if you do not care to have it so designated, let it pass. 4. Sometimes called sub-ordinary.

INSURANCE DEFINITIONS

In ter'nal Haz'ard, n. [From *internal* and *hazard*.] 1. A hazard within the risk. 2. Inside information. 3. Moral hazards, like consciences, are generally internal hazards. Among other internal hazards are furnaces, electric wiring, manufacturing processes, family ructions, children and matches, hired girls, overinsurance, etc.

Syn. Inherent Hazard.

See External Hazard, Hazard, et al.

"An *internal hazard* eke may grow
To proportions quite infernal,
And jolt a company off the earth
To Elysium's fields eternal."

—From *Insurance Iliad*. Lines 89 to 92 inclusive.

In 'ven tory, n. [L. *inventarium*.] 1. A list or schedule of stock or chattels covered by an insurance policy. 2. An evidence of what was. 3. An inventory is considered of such importance that it is assigned permanent quarters in the fireproof safe, where it is supposed to be placed every night. Occasionally an inventory gets left outside and then the place burns down. The exact chemical spontaneous combustion properties which develop in an inventory that has been exposed to the night air have not been satisfactorily analyzed by chemists, but underwriters are inclined to believe that it is some kind of a metaphysical stunt in the nature of mind's influence over matter. Where such a circumstance arises the adjusters are inclined to view the proprietor with more suspicion than they do the inventory and that unfortunate is liable to feel sympathy for the transgressor whose "way is hard."

"And is it not strange," said the merchant, "to think that I had never failed to lock the *inventory* in the safe before?"

"Yes, it is not," said the adjuster.

—From *Innocent Incinerations*. Page 711.

In vest' ment, n. [L. *investio*, meaning to clothe in (doubtless the old Roman who coined the term lisped and meant "to close in").] 1. Something in which to put insurance assets with the hope of recovering same with interest. If the funds are put in the safe or an old sock for future reference they can not be

INSURANCE DEFINITIONS

said to be invested, for the interest or dividend element is lacking. An old sock, however, is sometimes preferable as a receptacle for trust funds as compared with the investments made by some companies. 2. It is even a more critical and serious task to care for the monetary accumulations of an insurance company than it is to tap the premium well-springs from which they are derived. The treasurer of a large insurance company is like a coal passer on an ocean greyhound—continually shoveling an inexhaustible pile of “cash on hand” into an ever-hungry fire-box of “invested assets.” The steamboat stoker has the advantage of a rest at the end of each trip. 3. Investments are like horses, and it is a shrewd treasurer who does not accumulate among the good an occasional specimen that is wind-broke, balky, spavined, blind, doctored, tricky, or is afflicted with the heaves or bad hoofs, or stumbles. Still, they become very expert and they rarely make a poor bargain.

See Securities.

I'ron - Safe, i' urn-safe, n. [An amicable combination of Gothic and Roman architecture: *eisarns* and *salvus*.] 1. A heavy iron box common to business offices for the safe-keeping of insurance policies and other papers and books of value. Although safes are usually mounted on four small wheels, they are readily distinguished from a wagon or an automobile. 2. Most iron-safes are black, though occasionally a sorrel one is encountered. Customarily they wear a Millais landscape athwart their portals. This is done to engage the attention of would-be safe-crackers and distract them from their nefarious projects. It is not specific. Many a safe with a quiet pastoral scene upon its bosom has been maliciously awakened from its night's rest and forced to divulge its inmost secrets by means of a nitro-glycerin serenade. 3. In the daily course of business nitro-glycerin is not used to open the safe. A mysterious string of figures known as the “combination,” if politely addressed to an eccentric and exceedingly touchy little knob just to the east of the aforesaid landscape will often have the desired effect and not spoil the safe for future usefulness. The combination is sometimes mislaid in one of the many pigeonholes of the memory. It may be recovered by standing on one's head in a contemplative attitude and reading it off of the under side of

INSURANCE DEFINITIONS

the cashier's desk, where it has been filed for just such an emergency. 4. The iron-safe clause common to fire insurance policies, requires the keeping of books and inventories in a fireproof safe where no water will be spilled on them in case of a fire and cause the accounts to run together and multiply.

I'ron-Safe Clause, n. A clause in a policy encouraging the iron-safe industry. See above.

Is'o la ted, adj. See Detached.

J

Joint In sur'ance, n. 1. Insurance made out to two or more persons jointly who have a joint interest in the property insured. 2. Colloq. (slang)—Insurance on a joint. Generally a moral hazard. Always a special hazard. Rates should be advanced 25 per cent. flat and joint should be sprinkled—with formaldehyde. [Note.—This term was inserted here in order that "J" might not be without a representative.]

K

Knock'er, nok' er, n. [Abys. *nolk*, meaning "hammer."] 1. One who or that which knocks. 2. A hammer thrower. 3. Ich.—A member of the well-known and renowned species of astero-spondyli, which, as all are aware, are a sub-order of sharks with vertebræ whose radiating calcified laminæ predominate over the concentric. It has myopic green eyes that, acting in harmony with a digestive apparatus, dyspeptic because of defective plumbing, causes it to take a melancholy view of things in general and a jealous delight in the mistakes and misfortunes of others. It gleefully makes use of its two-headed hammer before referred to (a description of it is said to be lurking among some of those pictographs you stumbled through ten or a dozen lines back)

INSURANCE DEFINITIONS

whenever it discovers a flaw, slight or serious, in the work of some co-laborer, or any defect, real or imagined, which may be unfortunate enough to fall in the range of its narrow vision. By subtle knocking it manages to injure the object of its envy, often one who erroneously considers it a friend. It is recognized as a pest, and a bounty will be paid for its dorsal fin wherever collectable.

P. S.—You notice there are no other “K’s” in this widely-known, popular and standard work (adv.). This is because no reputable insurance word or term could be found to associate with the one here presented.

L

Lapse, laps, v. t. Contraction of “collapse,” meaning to forfeit by default of premium payments.

Lapsed - Pol'icy, lapst-pol'isy, n. [L. *lapsus*, meaning to “let 'er slide.”] 1. A policy that has run down because of lack of financial lubrication. 2. An evidence of a man's misfortune, overconfidence or negligence. 3. A gross mistake. 4. Altogether a lapsed-policy is a dangerous proposition. In fire insurance it is known as an unrenewed expiration and is always followed by a fire (generally a total loss). In life insurance the person whose life it covered dies suddenly of heart failure or meets some other style of death equally fatal, and the would-have-been beneficiaries take the next Pullman sleeper for the poorhouse. In accident insurance the fool-hardy tempter of fate falls off of, onto, under, over, through, into, against or down something, is blown up, kicked down, mangled, wrecked, drowned or shot, or is assaulted by one or all of his wife's relatives as soon as his Nemesis discovers the fact. Note.—If agents would impress this upon their clients more faithfully there would be fewer lapses and a corresponding decrease in the fire loss, an increase in the average age of man and a diminished demand for court plaster and surgical operations.

“It is safer to have not insured
Than to have a *policy* that has *lapsed*.”
—From *Hotayre*.

INSURANCE DEFINITIONS

Le' gal Re quire' ment, n. [Mostly plural.] Statutory requirements to which insurance companies must conform if they wish to live in peace.

See State Supervision.

Le' gal Re serve', n. Reserve required by law.

See Reserve.

Leg is la' tor, n. [L. *lex* and *lator*.] 1. One who or that which legislates. 2. Zool. Belonging to the *lexfacto lexbrako* species, being a degenerate form of the genus *homo*. Known commonly as the boodle-bug, from its supposed favorite diet. It is found in all parts of the globe where a republican form of climate prevails, and is so abundant in the United States that it is coming to be classed among the pests. Like mosquitoes, woodticks and seventeen-year locusts, it has its place in the realm of nature, but excessive zeal and numbers on its part do not win it popular acclaim. As its corrupted name implies, it feeds chiefly on boodle, which is furnished it by lobbyists and others who may wish to see it perform. In some States it is a perennial, while in others it is biennial. Some scientists have been investigating the feasibility of crossing it with the seventeen-year locust and making it a centennial or a world's fair, but with little prospect of success. It is of especial importance to insurance interests, as it delights to stick its bill (entitled an act, etc.) into the hides of what it calls corporations and trusts, being led thereto by the thirst for boodle and popularity. As it gathers in swarms and makes its onslaughts in a body, the results are often disastrous to the victim.

See Inimical Legislation.

Lev' el Pre' mium, n. [A. S. *laefel* and L. *praemia*.] 1. A premium which is the same throughout the life of the policy. 2. A premium having an altitude which maintains an unchanging distance from zero. 3. A level premium is no humorist, like the flexible premium [which see]; it goes along the same old way, never springing surprises. Any one who dotes on being jarred occasionally should not invest in level premiums. A man with a level premium gets so he pays it without thinking, and almost forgets that his life is insured. When it comes to life insurance, most

INSURANCE DEFINITIONS

thinking men prefer an asphalt pavement to a corduroy road, and thus the level premium is quite popular.

See Premium.

Compare Flexible Premium, Step Rate, Stipulated Premium, etc.

"The Level Premium Packet guarantees a smooth passage."

—From *Life's Guide Book*. "Ad." on back cover.

Liabil'ity, n. (ties, pl.). 1. The state of being liable. 2. Responsibility for an obligation contingent upon a possible disaster or occurrence of a contingency implied in an insurance policy. A policy without the liability feature is as useful as a watch without a mainspring, and is known as a "unilateral" contract. 3. Though the liability feature exists in every properly drawn insurance contract, it may remain dormant throughout the life of the policy, never becoming a tangible reality through the occurrence of the contingency against which it provides. 4. The test of an insurance company is its behavior in the presence of a materialized liability. The honest and right-minded institution is equal to the occasion and calmly and forthwithly satisfies the obligation; but when a company, in the presence of an incarnated liability, becomes confused, side steps, hesitates, hems and haws, begins to interpret the significance of various nonpareil safety clauses in the contract which are of poster type importance as affecting liability, then you can make up your mind that the officers of said aforementioned concern are not operating same for the sake of their undermined physical condition, but have an eye out for the main chance, of which the interests of the policyholders are not the dominant element. If you are the possessor of one of their typographical productions and it is not unfortunately through the one in which you are immediately interested that you have become aware of their style of architecture, it is advisable to surrender it for as much or as little returned premium and disappointment as it may be able to produce. 5. The liability of an agent—to the company, to the assured, to the State, to the acquisition of sudden wealth, to annihilation and to weal or woe—presents a realm of thought so boundless that one becomes wordless in contemplation thereof.

Li'cense, leigh' sense, v. t. [*L. licet*, it is allowed.] 1. To grant authority or permission to transact business. 2. Licensing

INSURANCE DEFINITIONS

is one of the profitable pastimes of State insurance departments. There may be some question as to the term "pastime," but that it is "profitable" is certain. 3. Licensing is generally a monopoly enjoyed by one office in each State, and any one who thinks he might break into the business in a modest way and introduce a little competition by opening an independent license bureau will find that he is up against one of the most pronounced trusts of a trust age. The State insurance departments have completely subsidized the entire administrative mechanism of the Nation to their ends, from the President and Congress, Governors and Legislatures down even to the mayors and councils, police and fire departments. This putting the shackles on the production of a public utility, nay, an international necessity, has deprived companies and agents of all hope of ever securing licenses at competitive prices. Down with the trusts!!!

Syn. Authorize.

Li / cense, n. 1. The approving smile of an insurance department. It always takes a certain stipulated fee, however, to provoke this style of mirth. It can hardly be described as a forced smile, though, since the State seal of approval is always presented to attest its genuineness. 2. Insurance companies and agents buy licenses with a docility and uncomplaining persistence that makes the anthracite coal trust green with envy. This insurance department trust is sure of its victims, while the coal trust deals with a senseless public, that is ready to adjust itself, on the slightest provocation, to soft coal, coke, hot water or air, or any old kind of heat that may be offered. Again, the patrons of insurance departments are seldom finicky about the kind or color of paper used in licenses or the size and shape of same. An insurance department will get up a license that did not cost more than \$6.89 per thousand, including stock, and sell them to insurance agents for two, three and even ten or more dollars apiece, and still the demand increases. There is doubtless no class of goods that shows a more disreputable margin of profit than licenses. Still agents and companies will buy them.

Syn. Certificate of Authority.

Li'en, le' en (often through poetic license pronounced as a monosyllable), n. [A corruption of the word *lean*, meaning a

INSURANCE DEFINITIONS

thin portion.] 1. An encumbrance. 2. Law.—A legal claim or hold on property as security for the payment of a debt or charge. 3. A charge placed against an insurance policy on which an adequate premium has not been collected and which is made payable from the proceeds of the policy at its maturity. 4. The adoption of liens as a correction of past errors in system became quite common in the opening decade of the twentieth century, which was also the closing decade of the assessment era. The fallacy of the "pocket reserve" system of life insurance was fairly demonstrated, but not until many participants in its vagaries had slipped across into the unextraditable hence, failing to indicate in which pocket of which pants they had left their share of reserve. Because of this oversight on their part, it behooved those who, through lack of forethought, had remained too long, to make good the deficit. This they did by agreeing to pay the full rates as determined by inexorable (they had always spelled it "inexecutable") mortality for their attained ages at the time of their enlightenment and in charging against the face of their policies the amount of the pocket reserve that had accumulated upon their persons (theoretically) at the time of said awakening, to be paid when the policy became a claim. As might be expected, such radical disillusioning created some stir and considerable gossip.

"You can not have your pie and eat it—

No, not yet.

The *lien* but represents the portion

That has been et."

—From *Insurance Moralizings*. Canto X.

Life In sur'ance, lighf in shur'ans, n. [From *life* and *insurance*, two eminently respected words of modern usefulness and unnecessary ancestry.] 1. That branch or system of insurance which deals with human lives. 2. The issuance of insurance contracts which are entirely subject to the tenuity of life's mortal span. [This may sound rather strained and doubtful to literary experts, but it is nevertheless a fact.] 3. Life insurance is the gospel of unselfish provision for others, of domestic solicitude, of the lightening of sorrows. Few missions are pushed with more vigor and signs of life. The life insurance missionary falls upon the unconverted with an enthusiasm that would hasten the millennium considerably if adopted by those who are introducing

INSURANCE DEFINITIONS

Christianity into heathen lands. There is also a most pronounced loyalty to denominationalism among life insurance missionaries, and they are generally free to admit that the doctrines and creeds of others than the one they represent are misguided conceptions of depraved and morbidly degenerate mentalities. They do not foolishly attempt to deny the evident fact that "there are others," but they insist that there is "none so good." With all this loyalty it is still not uncommon for the representative of one denomination to be converted to the service of another, and he brings to the new camp, besides his furniture and household effects, his complete stock of enthusiasm and implicit faith in his new choice as the true and acceptable form of insurance salvation for the public's requirements. 4. Life insurance is an estate in trust. It is the financial substitute for a departed spirit, and, to fulfill the ideal conception, should be sufficient in amount to produce an income equivalent to the earning power of the life represented.

See Insurance, Policy, and the agent of some reliable company.

Light'ning, *n.* [A. S. *lihting*.] 1. An instrumentality of sudden death and destructiveness invented and patented by Hón. B. Franklin. This was a stroke of enterprise on his part to stimulate the sale of lightning-rods, a new style of house trimmings he had just discovered, and to advertise the usefulness of his insurance company. It was a great achievement and continues to attract attention at the present time. No thoughtful man observes a streak of lightning squirt playfully from a thundercloud but that he thinks of his past life and Ben Franklin. If Ben had lived until the present day he would have found this a great help to him if he had wanted to continue in the printing business or if he had wanted to dabble in politics. But he did not live. 2. Lightning and the summer girl, that other hazard to man's peace of mind, are contemporaneous visitations. Whether this was premeditated on the part of the inventor or not is unknown. 3. Whatever else can be said of lightning, pro or con, it must be admitted that it lacks deliberation in its movements. The man who puts off getting his house insured until he sees a brand new bolt of lightning driving his way will find it rather a difficult proposition to reach the nearest insurance agent, secure a policy and return in time to modify the calamity. 4. Lightning never

INSURANCE DEFINITIONS

strikes twice in the same place unless the house is not insured. 5. Lightning also cuts some figure in life and casualty underwriting, for when a policyholder goes to monkeying with one of those spring-latch, time-lock bolts of lightning, he generally demonstrates the sad frailty of human existence and becomes a claim.

Light'ning Clause, n. A clause in a fire insurance policy permitting the property to be struck by lightning without special notice prior thereto to the company.

Light'ning - Spec'ial, *lite'ning-spesh'al, n.* [A. S. *lihting*; L. *species*.] 1. A species of life insurance agent who goes about touching the high spots, having no particular field. 2. The comets of the life underwriting firmament. They come without warning and disappear ditto. Are easily distinguished from the fixed luminaries by a pursued appearance, an exceedingly lustrous shirt-front diamond, prosperous and well-fed ensemble and a sulphurous trail of abuse and blue blazes which follows in their wake. The aforesaid and last-mentioned trail is explained by scientists who have been able to approach near enough, with the aid of a telescope and an assumed appearance of financial prosperity, to make a careful examination, to be due to friction caused by contact with the atmospheric and nebulous surroundings of the fixed stars. The mission of these erratic disturbers is said to be the boosting of bonuses and such. Volume of business is their prime object and actual premium receipts are a secondary and, apparently, insignificant consideration. The high spot touched can have the goods at his own figure—provided he takes the goods. Result: Lightning-special cleans up much business that the local agent had coaxed almost to the sticking point, cheapens insurance in the eyes of business men, loads them often with more than they can comfortably carry, teaches them to wait for bargains, and the result is a sulphurous atmosphere and blue blazes furnished by the locals. 3. Lightning-specials, according to astronomical bulletins, are less common than formerly. 4. The revered adage "lightning never strikes twice in the same place," has been disproved so far as relates to lightning-specials.

See Bonus.

INSURANCE DEFINITIONS

Limita'tion, *limb i ta' shun*, n. [Another one of those words of Roman ancestry. The exact breed is not material.] 1. The maximum or minimum time in which claim may be made on a policy covering a loss or suit may be brought to air the scandal in the courts and attract the attention of the newspapers. 2. Some alleged insurance companies have been known jokingly to make the time during which suit might be brought expire before the time arrived after which claim could be made on the policy. This always proves real laughable for the perpetrators, but the policyholder never can be made to appreciate its keen humor. 3. There may be other shades of meanings also, but the above ought to do for ordinary occasions.

Line, n. [*L. lineo.*] 1. The insurance involved in a single risk or a group of associated risks. 2. Ordinarily applied to the more pretentious class of risks. Every agency has its pet "lines," or aspires to have, which it controls. Large agencies may control many large lines. (Apparently an eminently safe statement to make.) The controlling of a line is said to be a very pleasant and profitable experience, though it may have its annoying features, the chief of which is the inability of even the best-equipped agencies to cover the whole of the largest propositions without outside help and a sharing of commissions. 3. Sometimes applied to a single policy of small amount as "placing of a line on a desiccating laboratory."

Compare Old-Line.

See Risk.

"Whatever else you do, do not get your *lines* decussated."

—From *It Has Nothing to Do with the Case*. Act III, Scene 2.

Lit'er a ture, *lit'er a chur*, or *tiur*, n. [*L. literature*, from *litera*, letter.] 1. Printed matter furnished by life insurance companies to their agents for use in landing prospects. 2. Some of it is put together in swell shape, regardless of consequences, while some looks as if it was the product of an ax and a cider press; but all of it serves its purpose by calling attention in a modest way to the indisputable superiority of its perpetrator above all others. 3. The multilaterality of life insurance systems and

INSURANCE DEFINITIONS

methods makes it possible for each company to prove conclusively by comparison that it has all the others beaten to a standstill. 4. Literature may be placed in two classes—fact and fiction. The former deals with actual results, guarantees and testimonials; the latter with estimates, suppositions and possibilities. A life insurance agent may be identified by vari-colored literature protruding from his numerous pockets. One of the chief arguments presented by the crabbed and envious as to why women would never succeed as life insurance agents was their deficiency in the pocket line; but from the records of some of the fair ones now in the field one must conclude that they have overcome this defect in some way or instituted a dress reform.

See Supplies, Prospect.

Lloyds, loidz, n. [From the late Welshman, Mr. Lloyd.]

1. An institution or association composed of individuals, supposedly capitalists, who agree to furnish a good and standard brand of indemnity in case of loss resulting from the happening of a certain specified contingency. 2. The idea takes its name from that of a Welsh saloonkeeper in London, but, as he is dead now, it would hardly be fair to say much about it. He was not personally responsible, anyway. History states that it was invented by one of the old sports who frequented the place, and had become tired of billiards, fifteen-ball pool and the nickel-in-the-slot machine, and so evolved the game of "underwriting at Lloyds," as it was called. The most that can be said in its favor is that it is the foundation of all legitimate and substantial insurance enterprises of the present day. To the questionable stability of the foundation may be attributed the painful restlessness which pervades and envelopes the business of underwriting, and ever and anon causes some discouraged institution with a hectic flush and an abnormal development of liability to step off into the inevitable. As some poet has not unwisely said, "A king may sit on a pin, but not silently nor with comfort, as it were." 3. Nowadays when a man manages to work his pull with the police and opens up a quiet little Lloyds game upstairs somewhere, it is spoken of as "launching" the Lloyds. This naturally follows from its purpose, which is the "landing" of suckers. It has been quite a fad in Chicago this season to launch Lloyds, and many found

INSURANCE DEFINITIONS

that they could thus engage in aquatic sports who had not previously been able to negotiate the launching of a yacht, a row boat or even washtub, or a loan of two bits.

See Insurance.

"Put not your trust in *Lloyds*."—*Socrates*.

Load, *lode*, v. t. To burden the premium with the various proportionate parts which compose it—expense, mortality, reserve, etc.

Load'ing, n. [*Gothic hlathan*.] 1. A term common to life insurance meaning that which is allotted for a certain purpose in a premium rate. 2. An apportionment of future receipts. 3. The premium rate is like a packhorse. When it is being prepared for its journey out into the cold and cruel world its loading is supervised with extreme care so that its general appearance may not attract adverse criticism. Its pack contains a certain number of cans labelled "expense," a carefully ascertained number of bundles marked "mortality," etc., and then a few packages which are added to fill in the chinks and to provide for unexpected contingencies, part of which may come back at the end of the trip and be distributed as so-called "dividends." 3. The importance of extreme care in this loading process is appreciated when it is remembered that the lynx eyes of the whole world of competitors are to be upon the poor little animal as he picks his way along the narrow and uncertain path. If it is discovered that the loading for expense is a little excessive on the off-side some wild Indian out West immediately gives vent to a war-whoop and gets busy with his tomahawk and knocks the company with great eloquence and persistency. 4. Loading a premium rate and loading a gun are not similar operations except that both should be done with due care and an apparent intelligence, for both are dangerous weapons in the hands of a greenhorn—especially to the greenhorn.

Loan, n. [*A. S. lan, loan*.] 1. Money advanced on a policy of life insurance which becomes a lien against it. 2. Many modern forms of life insurance contracts, among other filligree, have loan values which increase year by year, but are always somewhat

INSURANCE DEFINITIONS

less than the actual cash value of the policy. This helps the borrower to remember not to lapse. 3. Some underwriters criticise this feature as defeating the original conception of life insurance as a protection or provision for a family deprived of its support by the death of its producer. Loan values, as do also cash surrender values, invite the aforesaid provider to draw on the futurity for his own wants or fancies, thus impairing or dissipating that which was to have brought consolation. 4. A policy with a convenient loan value attachment often comes handy. The holder is thus able to drop a roll on a straight tip from a friend as to a race winner, or to furnish a little wool for Wall street on a dead-sure thing, or to get on an 80 per cent. grade toboggan slide to the bankruptcy court by attempting a business venture of which he has no working knowledge, but a J. P. M. theoretical idea, when, without the ready cash, he would have had to stand by and see some other fellow coin the experience.

"It is easier to open a loan account against a policy than it is to close it."

—From *The Natural Laws of Underwriting*. Lesson X.

Lo'cal A'gent, lo'kal a'gent, n. [L. *ago*, *agens*, to act.]

1. A soliciting representative of an insurance company who confines his operations to within eating and sleeping distance of his happy home. 2. Occurs both masculine and feminine, predominantly the former. 3. A local agent needs, above all things, a large circle of rich friends and plenty of sole leather. To the outsider the life of a local agent may appear to be a cinch, but that is an erroneous conclusion. It is easy enough to write one's signature illegibly on the lower right-hand corner of a policy, but collecting stale premiums which he has advanced from his own pocket is no Sunday-school picnic. Nor is it a pleasant or profitable pastime to attempt to explain satisfactorily to a customer why a rate has gone sky-scraping. Also the holding of expirations is often like unto the driving of somnambulistic chickens into a henhouse at mid-day. Note.—By actual measurement it is discovered that an exhaustive detailed definition of local agent would fill two expiration registers and an aching void, so the foregoing superficial outline must suffice. Lexicographer.

"The *local agent* who desires to build up a large business must exercise those efforts which are mainly individual and original with him."—*Right to the Point*.

INSURANCE DEFINITIONS

Loss, n. [A. S. *los*.] 1. The happening of the contingency, providing for which an insurance policy was issued. 2. A destruction of values. 3. With some branches of underwriting a policy may be continued indefinitely and not be called upon to cover a loss, as in fire insurance, accident insurance and casualty insurance generally, but in life insurance every policy is certain, sooner or later, to become a claim if it is kept in force. Still, people will persist in insuring their lives when they know this to be the case. 4. The payment of a loss by an insurance company does not restore the destroyed values; it simply distributes the burden of the individual among the many.

See Damage, Partial Loss, Total Loss.

"Every loss that's promptly paid
Is another rivet binding
Insurance interests to business interests."

—From *Binders and Other Attachments*. Page 89.

Loss Ra'ti o, *lo ra' sho*, n. 1. The ratio of loss to premiums. 2. The barometer of a home office.

Lov'ing Cup, *luv' ing kup*, n. 1. The common material expression of regard resorted to by a circle of associated insurance men when one of their number, the beneficiary of the token, has done something or is going to do something. 2. A three-handled coffee (?) cup, generally made of silver or gold. It customarily wears a neatly engraved epitaph across its bosom signifying the occasion of its advent. Some of the more popular insurance men who have achieved prominence without losing their friends have so many loving cups that they have enough to go around when company comes. It is really an inspiring sight to see a long table with a solid silver loving cup by every plate. The only trouble is that they are seldom mates. As a loving cup is usually sprung on the recipient in the nature of a surprise, he does not have a chance to select one to match the one he already has.

"No, you should not say he has won his spurs as an underwriter; you should say that he has won his *loving cup*."

—From *Insurance Etiquette*. Rule 70.

Low'er, v. t. [Ice. *lagr*.] 1. To reduce, as a rate. 2. Premium rates in fire insurance on certain classes are sometimes

INSURANCE DEFINITIONS

discovered to be so exalted that the companies collecting them are able to make an apparent profit. This at once attracts universal attention—that of competing companies, the secular press, the public, the fire department and various other interests, individually and collectively—and there is an immediate clamor, so insistent and embarrassing, that the bashful little rate is “lowered” to a point just beneath the profit line, where it is forgotten by all except the company that is collecting it at a loss. 3. It is much easier to lower rates than it is to raise them. This is understood to be due to the gravity of public opinion, the influence of which is exerted on each cubic inch of the rate directly as the square of the altitude of the rate above the profit line as a base, increased by twice the cubic root of the percentage of illiteracy among the voting population of the State. It may be simplified to the following formula: $G=A^2 \times 2\sqrt[3]{I}$

M

Man 'a ger, man' a jer, n. [From Daeg. *maengaer*, meaning “main gear” or “main squeeze.”] 1. One who or that which manages. 2. The head of an insurance company's branch office or territorial department. 3. Distinguished from “general agent” in that his compensation is commonly in the nature of a fixed salary, sometimes with contingency commission trimmings of an inspiring nature. 4. The head of the think department of an insurance company. 5. The way to become a manager is to begin at the bottom and work up. Few managers have been born such. It is a slow sifting process, and the educational preparation can be secured only in the school of experience. That mystic, undefinable atmosphere of awesome superiority which impresses the local agent upon his first encounter with a real live manager in his own private office is but the natural exhalation of genius common to all great men. We can not help it, somehow, and should not be held accountable for it. 6. There are very few female managers of insurance companies, but there are said to be many mis-managers.

See General Agent.

“In a joint stock company, all depends upon the *manager*.” H. Fawcett, *Polit. Econ.*, bk. I, ch. 6, P. 67. [Macm. 74].

INSURANCE DEFINITIONS

Map, n. [*F. mappe.*] 1. A representation or diagram of a fire risk or risks. Not valued so much for its artistic excellence as for utility. 2. Insurance maps of towns and cities are furnished by survey bureaus, and are remarkable for their accuracy, size and cost. By means of these maps a company is able to tell just what kind of risks its agents are furnishing. Not only is the coast line of the risk shown, with its bays, inlets, outlets and ells, but also the thickness of walls, the number of stories, and, by means of color effects, the material of which it is constructed. No agent, therefore, can send in a risk as a "nice brick natatorium," when, in fact, it is a frame gasoline-using, clothes-cleaning parlor, and hope to retain his commission. The detrimental exposures to a risk are also relentlessly revealed by the maps. In fact, the agent often feels that the company's examiner, who never saw the risk, knows more about it than he does himself, though he has lived within sight of it ever since it was built. 3. Insurance maps are usually bound in large volumes, which are handled by means of a hydraulic crane, although in some offices graduates of college football teams are hired for the purpose.

Ma tur' i ty, n. [*L. maturo, maturus, ripe.*] 1. Accomplishment of time for which an insurance policy is to run (or walk). 2. Fullness of days. 3. The maturity of a fire insurance policy is its expiration, and, as far as that document is concerned, the relations between policyholder and company are at an end, provided the premium has been paid. 4. The same is true of certain non-participating life policies, but with the endowment or participating variety the end is not yet. On the contrary, the date of maturity is an eventful day for the policyholder who has, maybe, lingered on several years beyond his expectancy out of sheer curiosity to see if the company really meant what it stated in the policy about "payment of the face with accumulations," and to experience the novel sensation of being his own beneficiary. 5. Maturity is the day of the transmutation of hope into realization or disappointment.

Compare Expiration.

"To win a futurity
Bright at maturity
Get present security."

—From *Anon.* (Selected and Disinfected).

INSURANCE DEFINITIONS

Max'i mum Line, n. [Idiom. Ins.] 1. The largest amount an insurance company assures on any one risk. An important question with the agent, who is pleased in proportion with its magnitude. It is necessary for a company to place a limitation on its agents, who, in their excessive generosity, might load it up with enough in one policy to retire it from active business if a fire should occur before it could cancel off according to natural processes. 2. Maximum lines in fire insurance have been pruned considerably during recent years, while in life insurance they have been allowed to wax great and multiply. Some cheerfully predict that the companies will be waxed later.

See Line.

Max'i mum Rate, n. The highest rate, of course.

Med'i cal Ex am'i ner, med' i kal ex am' in er, n. 1. One who makes examinations of applicants for life insurance. 2. An inspector of risks with an eye out for flaws. 3. The one who knocks down what an agent has set up. The examination is real amusing—to the physician. He gets the fee while the applicant often gets turned down. To be sure that the applicant is not feigning robust health, the M. D. investigates the lining of his stomach with a bicycle lamp to see if it needs repapering, takes out his kidneys and maybe replaces them reversed, pulls out his tongue to see if the roots need pruning, uses a telephone on his lungs to learn if there is any sand in the bellows, scares him to death by asking if ever before symptoms of consumption or insanity have appeared in his family, charging him as he loves his life and has hopes for the hereafter not to answer falsely or withhold anything which may bear upon his case. When the applicant gets through, if he passes, he feels that such a remarkable specimen of human perfection as himself has no need for insurance of any kind; while, if he is turned down, he is so alarmed that he loses his grip and dies next fall.

See Rejected Risk, Application.

Min'i mum Rate, n. The lowest rate, of course.

Mis rep re sen ta'tion, n. 1. Presenting that as being which is not, or that which is not as being. 2. An effective tool

INSURANCE DEFINITIONS

of twisters, which, adroitly manipulated by an expert, will often induce a policyholder to drop a good contract in a good company for a phantasm in an imitation concern. It is estimated that misrepresentation has done more real harm to the institution of life insurance than the casualties of all the wars or all the epidemics or calamities that ever resulted in abnormal death ratios during the nineteenth century. 3. Misrepresentation is a product of overcompetition. 4. Misrepresentation has also been observed in the modern processes of fire underwriting.

"Misrepresentation is the chief tool in the kit of the cowardly agent." From Insurance Truisms. Page 88.

Mon op'o ly, n. Something every one wants and is willing no one else shall have.

See Insurance Trust. (If you hope to find that there is an insurance trust and that it has a monopoly, you are going to be disappointed.)

Mor'al - Haz'ard, n. [Fr. *moral* and *hasard*.] 1. That fire hazard in a risk which is chargeable to the cupidity or carelessness of the owner. 2. A subtle, uncertain, but highly important, factor in rate-making which can not be formulated in a schedule. 3. If a risk is suspected of having a case of moral-hazard it is the duty of the local agent, the special agent, the inspector, the manager or any-old-body having the company's welfare at heart, whether from selfish financial motives or otherwise, to investigate the matter thoroughly. There are various methods of diagnosing a case of moral-hazard. Some searchers for truth approach the suspected proprietor and ask him in a modulated tone of voice if he ever has been arrested for arson; whether the profits from his business are large enough to make it no object for him to burn-upski; whether he has incurred the enmity of the neighborhood by harboring cats, dogs or chickens, or by practicing on a cornet at midnight, etc. However, this familiar and off-hand method is not recommended to the average-sized investigator. It is much more sanitary to make researches quietly among the subject's neighbors and in the police records. 4. No self-respecting citizen should feel flattered to discover that his rate has been somewhat encouraged by a moral-hazard. He should have it amputated at once. 5. A moral-hazard in a plant is worse than a

INSURANCE DEFINITIONS

barrel of gasoline or a sleeping night-watchman. 6. Moral-hazard is frequently almost epidemic in States having valued-policy laws. See Arson, etc.

Mor tal 'i ty, n. Another name for death.

Mor tal 'i ty - Ta 'bles, n. (Generally plural, as they occur in flocks.) [*L. mortalitus* and *tabula*.] 1. Although not exactly a piece of furniture, as the name might imply, still very useful—more than useful—absolutely necessary, in a life insurance home office. 2. The tabulated results of many years' experience in human death rates. They show how many persons out of a thousand of such-and-such an age will die per year. (Cheerful reading.) 3. In order that those who honor the compiler of this so-called (among other things) dictionary with consultations, may be able to recognize a volume of mortality-tables when they see one and thus avoid reading two or three chapters before they discover that it is not a historical novel, the following definite description is given: Mortality-tables are generally found, sometimes, in a large medium-sized book of several hundred pages, more or less, with a sheepskin, cloth or some other kind of binding, as the case might be. A casual turning of the leaves will reveal most symmetrical and appalling columns of figures which might be mistaken for scores in an international pinochle contest or a bowling tournament, but they are not. 4. Men who are familiar with mortality-tables and seem to like them are called actuaries.

Syn., Tables of Mortality, Experience Tables of Mortality.

See Actuaries' Experience Tables of Mortality, American Experience Tables of Mortality et al.

Mul 'ti ple A 'gen cies, mul' ti pl a gen cies (also pronounced a menace to local fire insurance agents), n. 1. A habit of absent-mindedness sometimes afflicting companies, causing them to appoint one or more agents in towns where they are already represented. 2. Too much of a good thing. 3. Not long ago some of the companies became so afflicted with the malady that the position of distinction enjoyed by insurance agents in a community became threatened and it looked as if every door-post was to be

INSURANCE DEFINITIONS

shingled with signs of fire insurance companies. With true zeal for the preservation of the dignity of the profession and an eye to the inevitable result of this general distribution of his daily loaf, the real agent rose to the occasion with sufficient emphasis to enliven the memories of the companies; so where their signs once appeared in blocks of five or more they are now found but one at a time.

N

Na 'tion al Su per vi 'sion, na' shun al su per vizh' un, n. [Idiom. U. S.] 1. The regulation or supervision of insurance institutions by a national bureau or office, rather than by each State separately. 2. An imaginative state of bliss for the realization of which many have been hoping. 3. Several attempts have been made to establish the right of insurance to this blessing, but the courts have not as yet been able to recognize insurance as amenable to the requirements necessary to its realization. The best they have been able to do as yet is to call it names, among others "the handmaid of commerce," which was a polite hint that until woman's suffrage becomes the style in this country insurance companies need not expect to be allowed to go to primaries or smoke campaign cigars. 4. The chief barrier to national supervision is said to be the Constitution of the United States, which is defective on this subject. It is not strange, though, that this part of the fabric should have been neglected, since at the time of its formation insurance was hardly a factor in the affairs of men, and gave no indication of its future intentions. Some claim that before national supervision is possible the Constitution must be changed or amended. This may sound simple, but any one who once tries it will appreciate the task. Others claim that it will do as it is, but such an opinion must become epidemic before it will have the desired effect. 5. Experts claim that the advantages of national supervision would be many—uniformity of requirements, reduced expense in the way of taxes, fees and sweetening, elimination of inimical State legislation, etc. Of a truth, there would be nothing left for the insurance papers to denounce but rebating and twisting. Possibly these would go, too.

See State Supervision and "Views."

INSURANCE DEFINITIONS

Nat' u ral Gas, n. [*L. naturalis*, and *gas*, a term invented by the Belgian chemist, Van Helmont. (1577-1644.) Patent right has expired.] 1. A non-union brand of gas produced in Nature's laboratories. 2. It is secured, or rather released, by drilling judiciously into the calm bosom of Mother Earth, until Trenton rock, under proper conditions, is reached. If the gas is there it will not be necessary to go down to find out, for it will announce its presence with a roar, and possibly bring up the casing and a Chinese suburb with it. 3. Natural gas is colorless; some is odorless, some is not. Of a truth, when natural gas attempts anything it does not do it by halves, and so, if it decides to have an odor, it has one that smells like a reminiscence of the annual egg crop of the United States for the past five years. 4. Because of its combustibility and cheapness it is used where found for heating, lighting and manufacturing purposes. It is distributed by means of pipes and franchises. It sometimes distributes its trusting patrons across the landscape by means of explosions. 5. The chief danger attendant upon its use is its inclination to leak. The quickest and surest way to find a leak is with a lighted candle. When the searcher is successful, he usually jumps playfully about sixty feet through the foundation wall of the house, taking a necklace of stringers and studding with him. This plan, however, is discouraged, as it generally musses up a neighborhood somewhat and gives the fire department unnecessary work. 6. Fire insurance companies recognize the use of natural gas as an increase in the hazard, and require that permission for its use be stated on the policy. 7. The chief hazards attending its use are fluctuating pressure and its tendency to disintegrate the brick work in flues.

Syn. Rock Gas.

Nat' u ral Pre' mi um, n. [Colloq. life underwriting.] 1. The step rate premium. 2. The premium on a life insurance policy which is taken one year at a time, regardless of the past or future, but optimistically and blindly cognizant only of the immediate present. 3. The natural premium at a given age is materially less than the level premium for the same age, but the natural premium advances year by year with the increasing mortality, until it passes the level premium, and continues to grow until the policyholder dies of worry and amazement. The level

INSURANCE DEFINITIONS

premium policyholder always dies of old age and out of regard for his expectant beneficiaries. 4. The natural premium is that which is collectable on yearly renewable term business. 5. Like many other of Nature's efforts, the natural premium has been improved upon by man in the peace-preserving, nerve-quieting, automatic, level premium systems of life insurance, and, though the natural product may allure as a temporary excuse, it has no hope of public popularity as a substitute for the horizontal variety.

Syn. Step Rate Premium.

Compare Stipulated Premium, Level Premium.

See Renewable Term.

Net, adj. [*L. nitidus*, shining.] 1. Free from all extraneous incumbrances; the essence; the real, undiluted thing. 2. Unembellished; clear; without deductions or additions; pure; unadulterated. 3. A term of frequent occurrence in underwriting nomenclature; e. g.: net premium, net loss, net profit, net expense, net reserve, net value, etc., also et al. 4. The analysis of the conglomerated results of underwriting into individual items gives net deductions. As "net underwriting profit" in fire insurance, an imaginary portion which remains of a premium after deducting losses and expenses; "net premium" in life insurance, the bare, unincumbered premium after it has been stripped of the loading for expenses and other burdens, and so on ad infinitum. 5. Opposite of gross. [Which see.]

"It is *net* results we want,
Oh, Philemon,
And not gross imaginings."

—From *The Best Is None Too Good*. Act X, Sc. 8.

Night - Watch ' man, nit-wach'man, n. pl. night-watchmen. [A. S., *niht* and *wacian*.] 1. (Zool.) A chiropterous mammal, belonging to the genus *Vesperhomo*, in size resembling a man. It remains in concealment during the day, hiding in darkened chambers, where it engages itself in sleep. With the setting of the sun and the blowing of the 6 o'clock whistles it flits forth, generally seeking some large building, where it is supposed to put in a night of activity. It resembles, also, insects of the genus *Lampyrus*, which emit light, in that it usually carries with it a lantern.

INSURANCE DEFINITIONS

2. A night-watchman, to be a marked success, should be afflicted with insomnia. 3. Its nocturnal movements are not mere aimless ramblings, but are actuated by its great fascination for a fire and it is continually on the lookout for one. If it succeeds in its search its behavior is decidedly pronounced thereupon. 4. It has been remarked as a strange fatality that when a plant inhabited by a night-watchman burns because of his surrender to a sleepy spell, it is always the first time that he ever chanced to doze while on duty. 5. Insurance companies encourage the propagation of night-watchmen by offering bounties to plants where they may be discovered.

Non-Con cur ' rent, adj. 1. Not concurrent.

Non-Cur ' rent, adj. See Non-Concurrent.

Non - For ' feit a ble, non for'fit a bl, adj. 1. Not forfeitable. 2. A life insurance policy of peculiarly adhesive type. Some policies are easily forfeitable for lack of compliance with some provisions or conditions. With some it takes eternal vigilance to avoid forfeiture. The non-forfeitable kind are not so. Once accepted, no act or idiosyncrasy of the holder will relieve him of their benefits. He is at liberty to live as long as he may and to die when and how he pleases. If he discontinues premium payments the policy automatically adjusts itself to furnish him with paid-up insurance to the extent of his policy accumulations.

Non-Haz ' ard ous, adj. 1. Not attended by unusual danger or risk. 2. Non-hazardous, as contemplated in insurance phraseology, does not necessarily imply an absence of liability to injury or death. It is generally conceded that the most quiet and otiose existence is constantly menaced by sudden extermination from violent, external accidental means, or unsuspected, internal microbial ravages. Damoclean swords are not among the lost arts.

Non-Res ' i dent A ' gent, non-rez i dent a' gent, n. [Colloq. U. S. Common to profane literature (and conversation).] 1. One

INSURANCE DEFINITIONS

who writes insurance in a State of which he is not a bona fide resident. He commonly operates without a license and is a prolific cause of overhead writing. 2. Zool. A cold-blooded, primate mammal (*homo sapiens borealis*) having the brain and brain case relatively large as compared with the face, which is nevertheless exceptionally pronounced, and carrying the body erect in locomotion except when making itself scarce. As in other species of the genus *homo*, the great toe is not opposable, thus enabling it to side-step with alacrity and to dodge sheriffs, posses and legislative enactments with an agility quite phenomenal. It is predatory and migratory, the former by instinct and the latter of necessity. Although it makes numerous raids on territory belonging exclusively to resident agents and is eagerly sought in some States by insurance commissioners as a choice, ever-seasonable dish to be served to hungry constituents, it still seldom meets its just deserts, but lives to a tough old second childhood. 3. A non-resident agent can be readily distinguished by his marked intangibility or flea-like attributes. If it were possible to make a close examination it would also be discovered that he had no domiciliary poll-tax receipts about his person.

See Resident Agent and the statutes.

Non-Specific, adj. See Specific. That is what it is not.

O

Occupancy, *ok'u pan si*, n. [*L. occupatio*.] 1. The nature of business transacted in a building. 2. Inside information. 3. All occupancies do not look alike to fire underwriters. A glance through the occupancy pages of the recently adopted Mercantile Schedule, or any other, will prove it. There are over four hundred and fifty classes definitely named and provided for in the Mercantile Schedule, and a general admission towards the end that, most likely, there are others. The rates for the various classes range up and down with a free abandon at once complimentary to certain classes and embarrassing to others. However haphazard these figures may appear, each one represents years of experience and mountains of ashes. They are, therefore, entitled to deepest respect.

INSURANCE DEFINITIONS

Oc'cu pied, ok'kew pide, pp. 1. Tenanted. 2. Lived in. 3. Whether or not a risk is occupied is of deep interest to the company which proposes to insure it or is already on. The more vacant a house or building is, the more liable it is to burn, as vacancy is accompanied by the tramp and non-productive-property hazards. [See Vacancy.]

Oc'to pus, ok'toe pus, n. See Monopoly.

Off, oph, adv. 1. Antithetically opposed to "on." 2. Not covering. 3. Safe. 4. A fire insurance company is said to be off of a risk when it has not issued a policy thereon.

"When in doubt cancel off."

—From *Insurance Proverbs*. X, 3.

Old-Line, n. [A facetious evolution of old-lying (lyin', lyne, line).] 1. A term originally applied in ridicule by assessment advocates to companies doing business on a level premium, or legal-reserve, basis. The name became permanently attached to this class of companies and, at first, it was objected to like freckles or warts, but lemon juice, buttermilk, rubbing it on a smooth stone, squirming, etc., only established it the more firmly and it had to be adopted. By many years of such respectable society it has lost its odium and is now spoken in a tone of respect, void of all remembrance that it was ever anything but a compliment. Which goes to prove that the next best thing to getting rid of a disagreeable association is to make the most of it and cover its imperfections with a spirit of cheerful resignation, as an oyster transforms an irritant into a pearl. 2. The term was originally designed for the exclusive use of life insurance companies, but since its admittance to respectability it is often borrowed by reserve-maintaining fire insurance companies.

Syn., Legal Reserve, Level Premium.

Om'ni bus Risk, n. [L. *omnibus*, dat. pl. of *omnis*, all; and L. *resecō*, re back and *seco*, to cut.] 1. A risk involving several occupancies or industries. 2. A building in which a variety of enterprises is conducted. 3. Such risks are common in congested

INSURANCE DEFINITIONS

districts, where space is valuable. The variety of combinations which may be encountered is limited only by the multiplicity of human activities or the diversity of industrial productivities, either of which might be termed as the extreme limit, or infinity. It is not uncommon to find under one roof a shirt factory, rug establishment, coffee-roasting herbarium, glue plant, candy mill, Oriental perfumery laboratory, country sausage manufactory, old clothes renovating sanitarium, patent medicine emporium, Castile soap generator and a half dozen Italian, Hungarian, Sclavonian, Inharmonian naturalization conservatories. This is also known as an aromatic risk. When the inspector investigates such a risk he wears a clothespin on his nose and a pair of goggles. 4. In making the rate each of the occupancies is disinfected and taken into account.

On, adv. 1. Antithetically opposed to "off." 2. Covering. 3. Insuring. 4. A company is said to be on a risk when it has a policy covering it.

"Off again, on again, burned again."—Adapted.

O'pen ing, n. [A. S. *open*, second cousin to "up."] I. 1. Arch.—A door, window or other aperture in a wall, used either for egress, ingress or the admission of light or other commodities. Openings are a factor in fire underwriting because they afford ready entrance or exit to a building for fire unless equipped with shutters or doors or over-insurance. Fire shutters or doors, if up to standard qualifications, enjoy a credit in the construction of the premium rate, while over-insurance is not thus encouraged, however effective it may have proven itself as a check to the progress of flames—in the estimation of the over-insured. 2. The number of openings in a structure is arbitrary, some have more, some have less; of the former a greenhouse is a type; of the latter, a smokestack.

II. 1. A business opportunity. 2. Chance for a location. 3. Modern intensity in business life makes openings scarce and upon the appearance of the least suspicion of an aperture there is an immediate avalanche of willing applicants, and woe and disappointment betide the unfortunate ones who are slow. Desirable openings never attain proportions of sufficient magnitude to ac-

INSURANCE DEFINITIONS

commodate a load of hay, so if the procrastinator is to succeed in getting his feet on the ground he must take what's left. It is authentically reported among Roman traditions that an opening in the market place of that metropolis remained for several days unfilled, although it was thoroughly advertised in the "want" columns of the daily papers. Finally when Marcus Curtius applied for the place it created great excitement. Affairs have so changed that nowadays a business man who has an opening in his store hardly dares to make the fact public for fear so many will be at the door in the morning that he can not get in to open the mail.

See Fire Wall.

O'pen Pol'i cy, n. A policy in which the amount of indemnity is not named at the time of writing, but is inserted later. This may sound good, but it will be useless for some thrifty individual to attempt to get such a policy with the idea that, after a convenient fire, he can name any preconceived amount of sufficient magnitude to permit him to live in comfort and idleness the rest of his life.

Op' tion, op' shun, n. [L. *opto*, choose.] 1. The right of choice. 2. Privilege of selection. 3. Life insurance companies have sought to increase their popularity by issuing policies which, after a certain number of years, mature, and in settlement the policyholder is entitled to several options or choices as to how or in what shape he will accept his accumulated gratification. Quite commonly he is at liberty to take all cash, or all paid-up insurance, or all as an annuity, or all as an interest-bearing bond, or part cash and part paid-up, or part cash and part annuity, or part cash and part bond, or part cash, part paid-up, part annuity and part bond, or any one of the other dozen or so combinations he may fancy. 4. In assessment insurance the policyholder generally sooner or later, sometimes both, also has an option to exercise, but it is usually a very painful operation as compared to option exercising upon an old-line policy, and it must be undergone without the grateful assistance of anaesthetics (the "gas" is usually administered earlier in the game). The options referred to are increased assessments or liens on the policy, or scaling down, or lapsing, or dying immediately. The last named, though least

INSURANCE DEFINITIONS

desirable, in most cases is the only one that does not present financial loss.

Read your policy.

"If your *option* were the devil or the deep blue sea,
What would your choice be?"

—From *Plagarisms and Other Plagues*. Introduction.

Or'di na ry, adj. [Adapted.] 1. Life insurance for amounts of one thousand dollars or over, with premiums payable quarterly, semi-annually or annually. As a term it was adopted to distinguish the common style or make of insurance from industrial insurance when that had its beginning. The industrial policyholders, however, have multiplied so rapidly (by arithmetical, geometrical and common-sense progression) that, as far as numbers are concerned, "ordinary," referring to the thousand-dollar class, will soon be, if it is not already, a misnomer. 2. When a policy runs over \$100,000 it is called extraordinary. 3. Some new agents, who have been attracted to the business because they inferred from the term "ordinary" that it was a case of easy money, and that all they would have to do would be to collect and spend it, have quickly been relieved of worry as to the spending part of the formula. They learn that "ordinary" has no reference whatever to the striking successes which crown their efforts and reward their perspiration, nor do they find an ordinary hat rack insufficient to accommodate their collection of laurel wreaths nor the ordinary endowment of pockets in the ordinary hand-me-down style of raiment inadequate to retain, without crowding, an ordinary day's applications.

See Industrial Insurance, Intermediate Insurance.

"You may call it *ordinary* but I have another name for it."

—From *The First Day Out or How to Work for the Fun of It*. Page 77.

Oth'er In sur'ance, n. 1. Concurrent insurance. 2. Insurance on the same property. A common condition in fire underwriting where the modesty of the insurance companies prevents them from being too grabby. A permit is generally granted in the policy for other insurance, showing a generous willingness on the part of the writer to share premiums—and losses.

O' ver head Writ'ing, o' ver hed rit' ing, n. [Colloq. U. S.] 1. The writing of insurance policies by the company over the head

INSURANCE DEFINITIONS

of the local agent, causing him to lose his commission and his temper. 2. A practice recently very common among insurance companies, but rapidly becoming unpopular. It has been discontinued for much the same reasons that a man who attempts to sample the contents of a hornets' nest is quickly satisfied. Large lines disappeared in this way and it made the local agent sore when he chanced to see policies of his companies in these offices without his "John Henry" down in the right-hand corner; so he flocked together in large numbers and threatened dire and other blood-curdling things if it was not stopped. The companies promised to be good on a large piece of paper and now the agent has so many policies to write that he does not have time to go to church on Sundays nor to the train to meet his mother-in-law. [Æsop.]

See Minutes of the National Association of Local Fire Insurance Agents.

O' ver In sur'ance, n. [Idiom. valued policy States.] 1. Fire insurance for more than the value of property insured. 2. Too much of a good thing. 3. Except in States afflicted with valued policy laws, over-insurance does not tend to disturb the solar symphony since the policies are drawn only to "indemnify for actual loss" and so if a generous minded citizen is willing to pay premiums on twice as much as he owns that is his own individual and indisputable privilege, only he must not expect the insurance companies to be equally foolish in settling his losses. In valued policy States, however, it is another matter and any one who has not been able to succeed in business except to wear corns and bunions and other callous decorations on his conscience may sell out his stock in a reduced state (ashes) for twice its value, or any multiple thereof for which he can stick the companies. Naturally insurance companies are suspicious in such States and make closer inspections and charge higher rates, but it is many against a few and they often recoup a man for his losses of before the fire as well as those actually due to the flames—and then some, for good measure.

See Valued Policy and read statistics.

O' ver Val u' ation, A valuation of the property over its real value. This makes but little difference to fire insurance compa-

INSURANCE DEFINITIONS

nies except in valued-policy States. If the property owner enjoys the sensation of paying premiums, the companies prove indulgent. He may be disappointed, however, when he finds that the companies' delight in paying losses does not induce them to pay more than the actual value destroyed.

P

Paid-Up In sur'ance, n. [Economy.] 1. Life insurance on which premium payments are no longer required. 2. A policy which has had its premium appetite satisfied. In the case of every life insurance policy it is figured to a mathematical nicety just how much premium health food it must have to mature it. It can be fed with one grand blow out, a single premium, or it can be, as it commonly is, furnished with an annual ration on which in the course of time, whether short or long depends on the conditions appearing on the face of a policy, will mature it as "paid-up." For comfort it beats a Morris chair or an old shoe. Any one who is the proprietor of a corpulent paid-up life insurance policy in a reliable company can not help showing it on his face any more than he could a wart or any other embellishment.

Par 'a pet, adj. [Dagonish, *parapetto*, breastwork.] 1. Rising above the roof. It applies to walls, and not to chimneys. Any one who attempted to apply it to the latter in polite society would quickly discover that it does not fit. 2. A parapet wall is an architectural ornament as far as insurance companies are concerned because of its usefulness in preventing flames in one building from communicating to adjoining property. A few bricks invested in a good parapet wall—and they do not need to be gold bricks, either—will pay larger dividends or interest in the shape of premium savings than almost any other ordinary investment. This fact, however, should not lead any grasping capitalist to buy an acre of ground and cover it with parapet walls in the expectation of reaping a nice income from the insurance companies. It is not the parapet walls in themselves that appeal to these philanthropic but thrifty institutions, but the service they render in their relationship to adjoining risks. It thus appears that the number of parapet walls possible to an acre is limited, as is its productivity in other lines.

INSURANCE DEFINITIONS

Par' tial Loss, par' shal los, n. [L. *partialis*; A. S. *los*.] 1. Not a total loss, actual or constructive. 2. "Not as bad as it might have been." 3. By far the greatest number of losses that a company pays are partial and it is the numerous little fires taken together that make the big holes in a company's assets. Enough partial losses will make a company look like thirty cents on the dollar as the final dividend. 4. The term partial loss was monopolized by fire insurance for many years, but early in the twentieth century it was broadened to cover accident and health insurance as compared with life insurance, and several companies are writing policies combining total and partial loss as touching human life. So if a man provided with one of these conveniences happens to get broken (physically) or partly killed he represents a partial loss to the company, which consoles him proportionately. This certainly gives the final solar plexus blow to those cavilling critics of life underwriting who have been continually carping about life insurance patrons being compelled to resort to the inconvenience of dying in order to realize on their policies.

See Loss, Total Loss.

Par tic'i pa ting, par. [L. *pars*, part, and *cipio*, take.] 1. Sharing in dividend or other accumulations. 2. Partaking. 3. A life insurance policy is said to be "participating" when it is treated as one of the family and can put its feet under the table regularly at meal times. Some policies, however, are like unpopular step-children, and are only semi-participating, or, maybe, not that much. They get in on but a few of the good things or are allowed an occasional hand-out. They are doubtless better off, however, than the non-participating class. 4. All assessment policies are participating, so to speak. They all experience the gradual aspiring tendency of the rates and the depressing characteristics observable in that variety of so-called insurance. They participate in the general disappointment that marks the closing scene and the final report of the receiver, provided, of course, their certificates did not become claims in the natural course of events before the receiver appeared on the program. 5. A participating policy in a full reserve company simply gets back in cash or credit its regular overpayment in premiums, with excess interest increments.

Compare Tontine.

INSURANCE DEFINITIONS

Part 'ner ship In sur 'ance, n. [Coined in the latter part of the nineteenth century.] 1. Life insurance covering the lives of the members of a firm or partnership, which, on the death of any one, is payable to the firm. This scheme is growing in popularity, as its benefits are obvious to any shrewd business man, and it is with such that it has to deal. By such a provision the embarrassment almost certain to follow the death of a member in a partnership, and especially if he is the recognized head, is relieved, and, instead of a compulsory dissolution, as is common under an unprotected condition, the business may be continued without interruption or loss. 2. It is a natural instinct with trade, where a firm loses one of its strong members by death, to make special exactions upon the bereaved house for the protection of all outstanding claims, but when the vacant chair is offset by a large sum of ready cash, the generous instincts of said trade cause it to deal leniently. Business generosity has a fixed market price. Leniency can be purchased by the week, day or meal, but the price must be in evidence. 3. Partnership insurance is a glittering dream to most agents, who can imagine how it must feel to get names on the dotted line to the tune of a hundred thousand to a million, but with little hope of enjoying the actual experience. Those who deal in that class of goods, however, generally find that, by the time they have met all the competition that has obstructed a case, the actual cash commission which finds its way into their private and individual jeans will not justify a retirement from further financial pursuits.

Par'ty Wall, n. [Chinese—imagine the rest.] 1. A wall built on a property line and used in common by two buildings. 2. Fire insurance companies naturally do not favor this style of partnership particularly, though it is a common form of construction. They prefer that each building provide its own wall. Under such conditions either can burn down much more satisfactorily to the insurance companies interested in the other than if the wall was a party affair. It does not help a piece of masonry particularly to have one of its surfaces glazed like an old brown jug. Still, one good party wall is often preferable to two poor individual walls. As a chain is only as strong as its weakest link, so the fire resistance offered by a party wall should be meas-

INSURANCE DEFINITIONS

ured by its thinnest portions—too often a thin shell of masonry where indentations are cut to receive floor stringers. 3. The best way to ascertain whether a wall is party or not is to ask the owners of the property concerned and then go up on the roof and see for yourself. Do not necessarily rely upon the majority report, but be governed by what you see.

Compare Fire Wall, Standard Wall, Parapet Wall and Chinese Wall.

"A *party wall* ten feet thick, without openings, is more to be desired than two individual walls of ten inches each."

—From *Insurance Proverbs* XV, III.

Per / mit, n. [L. *per* *through*; Ger. *mit*, with. Literally, through with.] 1. A concession. 2. Permission. 3. A privilege granted by an insurance company. 4. The policy may be full of conditions and prohibitions, but where special request is made, the company may be willing to show that there is nothing mean about it by waiving certain designated conditions. Of course, no company is going to go into the permit business on a wholesale basis and grant a blank permit avoiding the whole category of conditions; but, if approached with proper respect, it will grant the holder of one of its policies permission to have his house struck by lightning, to electrocute himself with a properly installed electric lighting plant if he so desires, to blow himself into a scrambled egg shade with gasoline or natural gas, if he is partial to that style of exit from mortal woes, or to place other insurance on the property in some rival company; or, if it is a life insurance policy with a rather restricted horizon, the holder may be able to persuade the company to permit him to cross a fixed, imaginary, geographical dead line and play tag for a prescribed time with death in the form of cholera, malaria, yellow fever and other picturesque bacilli, or he may gain the privilege of posing as an animated target for the bullets of his country's enemies, or, if a bachelor or widower, by properly bribing the agent, he may get permission to get married, providing he has the chance. 5. Permits are commonly in the form of riders, and are worn conspicuously on the bosom of the policy.

"A *permit* to be valid, must be endorsed by an authorized officer or agent."

From *Gratuities or Love's Labor*. Page 10.

INSURANCE DEFINITIONS

Per pet' u al In sur' ance, n. [Haven't time to investigate pedigree.] 1. Insurance which continues in force for all time or during the life of the property insured in consideration of a single premium of sufficient proportions. 2. The agent who has perpetual policies on his books is at least not worried about renewals, but if all his clients wanted this brand of indemnity he would soon work himself out of a job, though doubtless his commissions would be so great that he could endure the Philadelphia quiet that would pervade his office very gracefully. It is too awful to contemplate what would become of him, however, if he spent his entire income as fast as it came in. He would certainly be compelled to turn his attention to a side line—possibly real estate—to eke out an existence. 3. Perpetual insurance is not uncommon in life underwriting, though not under that title. Many single premium [see same] policies are sold which permit the holder to die as soon or as late as he pleases, upon which event the claim is paid, and as far as he may have been concerned or cared the insurance was perpetual.

Per sist' ent Pol' i cy hol der, n. [Scien.] 1. One who sticks. 2. A policyholder who stays with a company "for better or for worse, until death us do part." 3. Persistency is an essential with the agent, it is a possible attribute with the policyholder. 4. A "prospect" may be coaxed and hypnotized until it becomes an "applicant." The "applicant" may be pulled through the gauntlet of the medical department and pronounced a full-fledged policyholder, but, whether "persistent" or not, it takes time to tell. It sometimes takes as much tongue work to secure a second year's renewal as it did to give away the first year's commission. 5. Persistent policyholders seldom are the fruit of "gift" insurance. The taste for bargains of this kind is an acquired taste, but like most tastes of that category it strikes deep. 6. Occasionally a policyholder is persistent because he realizes that he has a good investment and he pays his premiums like clockwork. 7. There is another class, however, that is as persistent as a somnambulistic mince pie or a setting hen. It is composed of policyholders who, after getting into the company, discover that they are using impaired lives. The flaws may have been present upon the occasion of the medical examination and escaped notice or may have been acquired subsequent thereto, but there is nothing on earth to in-

INSURANCE DEFINITIONS

spire persistency in a policyholder like a wheezy lung, a warped liver or an unraveled stomach. (These terms were not taken from a medical dictionary, but will have to answer.) This tendency results often in a bad selection which boosts the mortality rate much higher than is seemly or becoming.

Phys'ical Haz'ard, fiz' e kal haz' ard, n. [Derived from seven Greek microbes and the Dago word, *azzardo*.] 1. That hazard of a risk due to its construction and the nature of its contents. 2. The anatomical hazard of a structure. 3. In fire insurance, as in life insurance, every risk must submit to an examination before it is accepted by the company. The inspector who is onto his job is a thorough individual. The area of floors, thickness of walls, number of entrances, number of exits, stairways, elevator openings, deaf and dumb waiters, skylights, wiring, number of stories (including facetious anecdotes by proprietor, submitted for coercion purposes), brand of cigars used by said proprietor, and many other details are carefully considered and weighed by the inspector. When he gets a complete diagnosis of the case he puts all the symptoms down on a piece of paper, known to science as the "inspection slip." He then looks fixedly at the slip for a few moments, mutters a number of cabalistic words of a derogatory nature to the owner of the property and the premium rate silently appears in the lower right-hand corner. This is filed away to be applied when needed.

4. In life insurance: That hazard which attends the daily conduct of business. It varies directly as the square of the weight of the prospect multiplied by the distance. 5. That which adds zest to life, kicks a hole in the head of a hum-drum existence, so to speak, and dissipates ennui.

See Inspector.

Compare Moral Hazard, Special Hazard.

Pink Slip, n. 1. An affliction to which municipalities are subject. It results from careless neglect of the general fire hazard. Where, for example, a city's water system has been allowed to run down until it becomes sluggish and incapable of affording an adequate supply of this necessary style of wetness for fire extinguishing purposes, an attack of "pink slip" is liable to break

INSURANCE DEFINITIONS

out at any moment. It makes its appearance on fire insurance policies, and every policy thus afflicted calls for an advance in premium in proportion to the virility of the attack. Rotten politics, decrepit electric wiring, general uncleanness as to boxes, barrels and rubbish in backyards and basements, a "has been" fire department, are also among the direct causes of the malady. The only remedy is to correct the cause, and it yields readily to proper treatment. Cities which have successfully convalesced from a serious attack of "pink slip" are not apt to affect deafness thereafter, at least for a time, in the presence of suggestions as to ways and means for curbing the exhuberance of the loss ratio.

"When the *pink slip* was read,
It left a trail of blazes blue."

—From *The Blue or the Gray*. Page —.

Place, plase, v. t. [Fr. *placer*.] 1. To write insurance for, as to "place a risk." 2. To take care of a line. 3. Used either in the sense of placing the risk or placing the insurance. 4. Where the amount involved is small and the risk is not undesirable, the placing of the risk is a simple matter for the agent. All he has to do is to fill out one or two policies in his own office and the deed is done; but if the line is so large that it exhausts the writing facilities of his own office, and a part of it is still exposed to the elements, he must hike (technical) around among his brother agents (and sister agents, in some localities) and distribute the excess as he sees fit, thereby depriving himself of a portion of the commission. But with very large lines he finds that even after he has exhausted the writing capacity of "the street," yet a greater or less portion of the line is still sticking out from under the cover. He then must sneak into the privacy of his closet and get into communication with unauthorized brokers, surplus liners, wildcats, the Knights of the Golden Circle, the underground railroad, the Ku-Klux and sundry other mysterious sources of relief, all of which, he is aware, may result in embarrassing interviews with the State insurance department.

Syn. Write.

"It is easier to *place* a one per cent. rated risk than it is a seven per cent."

From *The Higher the Fewer*. Vol. X., ch. VII, p. 999.

Pock'et Re serve', pok'et-re zerv', n. [Five-fourths pock-et and minus one-fourth reserve.] 1. An imaginary fund supposed

INSURANCE DEFINITIONS

to be secreted about the persons of members of an assessment organization. An extremely doubtful asset. Note.—Doubtful assets are accorded the same consideration in polite society as doubtful eggs. 2. The main objection to a pocket-reserve lies in its reluctance to be converted into current coin of the realm. The holder generally was not duly impressed in the initiative, so to speak, with its significance and the probability of a future call for it. Instead of securing a nice Harveyized steel pocket in some safety deposit vault in which to keep the reserve free from moths and rust and such things, he usually kept it or its remains in the right-hand pocket of his jeans, where it would be convenient. If he had put it in his left-hand pocket and sewed up the mouth thereof all might have been well. But he kept it in the way of temptation and gradually invested it in food, raiment and other non-interest-bearing securities, failing to obtain any tangible collaterals to show for it. Result: When his high-mightiness, the supreme mucky-muck of the association, upon urgent necessity, invited him to deliver the whole or a part of the fund he was holding in trust, he generally put on an injured air and feigned ignorance of the whole matter. The universal repetition of this program has caused receivers to wax fat and has seriously disfigured the beauty of the pocket-reserve argument.

"Shrouds may have no pockets but it is a recognized fact that the deceased members of assessment associations generally forget to turn over their *pocket reserves* before they depart."—From "*Assessmentism and other Jackessmentisms*," page 13.

Pol'icy, n. [It. *polizza*, a note.] 1. A contract of indemnity, usually printed on a piece of paper about so long and proportionately wide. 2. In fire insurance most of the substantial companies use a similar form in many States known as the New York Standard. The wild-cats and other irresponsibles have more originality and draw up contracts that are fearfully and wonderfully made. In some cases the insured may congratulate himself if he is not arrested for maintaining a nuisance. The rare humorist of the late lamented century, in composing that pathetic bit of sentiment "Honesty is the best policy," could not more emphatically have disclaimed all connection with any wild-cat insurance company if he had expressed himself in volumes. 3. Life insurance policies can hardly be said to be endowed with uniformity. In fact, no two

INSURANCE DEFINITIONS

forms are found alike in every particular; it might almost be said that no one is ever alike. The policies of the reputable companies which are in the business to pay losses are straightforward, intelligible contracts; but there are many so-called companies and associations which issue policies of another brand. The works of no author, outside of Browning perhaps, have ever received so much study to discover their hidden meaning as have these policies. Browning is discussed at Boston pink teas, policy authors are cussed in all the courts from Maine to California. 4. Few policies have ever been read through by the holder. A holder of an assessment policy, fire, life or otherwise, should read the contract carefully. The finer the print and the more obscure a paragraph may be, the more important is it that it should be carefully read, both forward and backward. 5. Holders of insurance policies need not be alarmed at the periodical newspaper accounts of the "suppression of policy in this city." That is another kind of game.

See Wager-Policy, etc.

Pol' i cy hold er, n. [From a silde of Greek animalcula, meaning "of many leaves," and A. S. *healdan*, hold.] 1. One who or that which holds an insurance policy. 2. The public (individually). 3. The completed product of an agent's handiwork. In fire insurance the program of an insurance deal represents practically but two steps (figurative—extremely so): First, the "prospect" or the "expiration," whose name has been worn next to the agent's suspender buckle for eleven months in happy anticipation; second, the "policyholder." In life insurance the transaction consists of three steps (this is also figurative, understand, for we know of individual cases that have cost 2,873,981½ physical steps, and at time when shoe leather was quoted 18 points above par and reason): First, the "prospect;" second, the "applicant," and, third, the "policyholder." 4. Fire insurance policyholders are commonly annual, triennial or pentennial, having to be renewed according to the original process periodically. Life insurance policyholders, if well planted in the beginning in soil free from rebate parasites and well adapted to the variety of fruit to be produced, do not need further attention for years, beyond a little annual pruning. 5. Policyholders are said to be a desirable attribute to an insurance company; it might be affirmed that they are essential; in fact, in many cases they are

INSURANCE DEFINITIONS

"the company." 6. Any property-owning citizen may become a fire insurance policyholder; any healthy, able-bodied individual of proper pedigree may become a life insurance policyholder. In fact, they will find it easier to become than to refrain, if they are half way accessible to agents.

See Applicant, Prospect.

Post Mor ' tem As sess ' ment, n. 1. An effort to collect premiums for the payment of losses already incurred. 2. Old-line companies prefer to anticipate the need, and are thus prepared for prompt settlement. Some assessment associations, not knowing what to do with the money, prefer to let the members keep it until it is needed. The trouble with this system is that many members, after indulging the keeping habit, find that it becomes chronic with them, and they keep on keeping, despite the urgent appeals of the High Mucky Most Mucky Muck. 3. Post-mortem assessmentism is losing favor rapidly, as it does not afford the certainty and prompt settlement which life insurance, to be satisfactory, must give.

See Assessmentism, Pocket Reserve, etc.

" *Post mortem assessmentism* is the life underwriting parallel to locking the barn after the horse is stolen."

—From *Veneer and Varnish*. Page 16.

Pre ' fer red Bus ' i ness, n. [Origin disputed, meaning ditto, privilege of writing also.] 1. A class of risks which uniformly shows a profit. 2. The redeeming feature of underwriting. 3. However pleasant to contemplate preferred classes may be, they are an indication of existing inequalities in rates by which said classes are contributing more than their equitable proportion of the fire tax. An ideal condition would know no preferred class, but all would contribute the same ratio of underwriting profit. (This is purely ideal and as probable of attainment as such conditions usually are. If it were to be attained it would be as lasting as a soap bubble.) 4. [Colloq.] The business that pays the highest rate of premiums and consequently produces the fattest commission revenue. This meaning of the term is from the agent's standpoint and is accepted only in certain geographical locations where sawmills and other special hazards are more abundant than the preferred classes, as viewed from the com-

INSURANCE DEFINITIONS

pany's side of the counter. It might be noted in this connection that often the business which the agent prefers the company prefers to decline. 5. That business which will not burn. (This is exclusively from the stockholder's point of view.)

See Dwelling.

Pre lim'i na ry Term, n. 1. The practice common among some life insurance companies of considering the first year of a policy contract a one-year term, thus escaping the necessity of putting up for reserve, this lack being distributed through the remaining years of the life of the contract until it is finally made good. 2. Especially favored among the younger companies, who have not large surpluses to draw upon to care for first-year business, which, owing to the large commission, medical examination fee and other incidentals, is too burdensome for complete disposition by a single premium. These primary expenses not being encountered after the first year, the premium is able to take care of its current obligations and clean up old scores as well. Confidentially, now, this preliminary term business came near being barred from this highly esteemed and most select production, for the reason that it seemed altogether too serious and profound a matter to present in these pages. Now that it is finally disposed of, however, the lexicographer feels much relieved. Whether it is defined in a graspable manner, or even correctly, is another matter of entirely minor importance and immaterial. The less said about it the better.

Syn. First Year Term.

"Insurance authorities differ as to the expediency of the preliminary term system"—J. A. Jackson.

Pre'mium, n. [L. *praemium*, lit. 'profit derived from booty,' which goes to prove that it does not always pay to be too curious about our ancestry. To think that a word of modern respectability sprang from such a source! It sprang advisedly and commendably.] 1. The price paid for insurance. 2. The consideration for which an insurance company agrees to indemnify or pay a stipulated amount in the event of a certain contingency. 3. The lubricant of the underwriting machine. The usual plan contemplates the payment of a certain amount yearly, though occasionally the whole thing is settled at once in the form of a "single

INSURANCE DEFINITIONS

premium." 4. There are two brands of premiums, cash and notes. The former is the higher grade, and always assures smooth running, but the latter, if applied to any great extent, is certain to result in friction, especially at the points of contact between the running gear and the insurance departments. 5. The premium is the fruit of the policy.

See Rate.

"That he might secure the business
The *premium* he advanced;
And then upon his client,
Each day attendance danced."

—From *When Collections Are Bum.* V. 6.

Pre'mi um Note, n. [From *premium* and *note*. If you want to know more about it, look it up.] 1. A note or an "I O U" given in lieu of a premium on an insurance policy. 2. A pocket premium. 3. A certain class of companies, generally mutuals, makes a specialty of this complexion of (in)-securities. The promoters and solicitors call attention to the enormous profits which the stock companies are harvesting, due to the extreme altitude of the prevailing style of rates, and further back up their belief in the fairy tale by agreeing to furnish so-called insurance in return for autograph paper. Of course, a little cash must be put up for postage and running expenses. Then these autograph collections are exhibited as assets and a reservoir for the furnishing of indemnity. But if occasion arises for heavy drawing upon the reservoir, the difference between a cash premium and a premium note becomes painfully apparent. By some strange hallucination the person who signs a premium note and then is called upon to pay it feels that he is being compelled to pay twice for his insurance. At least his behavior would justify that conclusion, and many premium notes prove to be false notes, and otherwise jar the harmony. It is about this stage of the game that the cash put up for "running expenses" comes in handy.

See "Failed or Retired" and premium.

"*Premium notes do very well when the loss ratio is unaspiring but when it gets ambitious bank notes are better.*"—*Insurance Proverbs*, XX, 3.

Pres' i dent, prez' ident, n. [L. *praesidens*, ppr. of *praesideo*.] 1. The nominal head of an insurance corporation. 2. Poetically, the main squeeze. 3. The office is elective, and gener-

INSURANCE DEFINITIONS

ally it does not have to seek the man as long and fruitlessly as did Diogenes in his renowned search. Though the term of office seldom holds out longer than a year, still, when a man is once elected to the presidency he is generally re-elected from year to year. This custom prevails, since a change in presidents would necessitate the reprinting of all of a company's policies, stationery and other literature upon which a president's name appears, and such a prodigal waste, if indulged in to any extent, would invite annoying criticism on the part of the nearest insurance department. There may also be other reasons why there are few changes in the office of president. There may be others as good and sufficient as the one presented. It is not the province of this work to deny and argue, but to state naked and unembellished facts. 4. Presidents of insurance companies are very rare in some localities, where the climate is not properly equipped with financial ozone, and there are many agents who have never seen one, just as there are people who have never seen a railroad, a steamboat, an automobile or a crowned head. 5. All that the president of an insurance company has to do besides draw his salary is to steer the thingumajig safely around among the rocks of competition, bad selection, cut rates, arson, ambitious mortality rates, litigation, taxation, legislation, criticism, fatalism, precedents and panics. In fact, it is almost as onerous a task as writing a dictionary or a \$10,000 endowment at full rates.

Pro du'cer, n. [L. *pro*, before, and *duco*, to lead.] 1. One who or that which produces. 2. A term commonly applied to a life insurance agent who writes a satisfactory volume of business. 3. The joy of a general agent's heart, the light of his eye. 4. Zool.—One of the hustlabimus gettheribus species of the genus homo, commonly belonging to the xanthochroic or melanochoic groups, though dark-skinned specimens have occasionally been discovered. Its distinguishing class marks, if it has any, are a quick eye, confident bearing, ready tongue, active feet, a buoyant temperament, an optimistic cast of mind and a glad hand. All these attributes may not be discernible to the naked eye in the raw specimen, but may be in a dormant or in a quiescent state ready for development under the scientific touch of a general agent or superintendent of agencies. The discovery and devel-

INSURANCE DEFINITIONS

opment of the producer is often a discouraging process, and ordinarily involves the sifting of much useless material and fruitless prospecting for talent. The "dry hole" feature of oil drilling is as naught compared to the depths of intellectual obscurity into which the hopeful general agent must probe. But the most disheartening experience common to the culture of producers is their extreme ephemerality. Many a producer which has just developed to a capacity of \$10,000 per week paid-for business suddenly becomes enamored of the color work on a renewal contract with a rank competitor, and leaves his discoverer with nothing to show for his work but a large expense account and a soleless pair of uppers. This experience has become so common that many shrewd g. a.'s now let the other fellows do the development work—they buy a controlling interest when the claim shows signs of profit.

See Agent.

"A good producer is a joy forever—if you can hold him."

—From *Insurance Parodies*. See Index.

Pro hib'it ed List, n. [Local option.] 1. A list of risks or classifications which a company instructs its agent or agents not to write, or at their peril. 2. The "thou shalt nots" of an insurance company. 3. The abstinence list. 4. Articles not in the prescribed diet of an insurance company. 5. Most wise insurance companies, like most sensible men, have in their statutes of conduct and right living strict exclusion acts, which bar the entrance to their digestive interiors of certain classes of risks or articles of diet which they consider unprofitable or fraught with dyspeptic possibilities. Men generally make out their prohibited lists January 1 and swear off copiously and fluently. Some manage to struggle through the year without letting many of the proscribed aliens be undergrounded across their frontier borders, but others, even on January 2, have been known to tip the wink to the custom officers and the quarantine stations, and become open violators of their engrossed resolutions and promising subjects for Mr. Keeley's justly celebrated seminary. Insurance companies do not have to wait until January 1 to swear off or enlarge their prohibited lists, but may take the pledge any morning after the close of any fiscal year when the mail shows katzenjammer tenden-

INSURANCE DEFINITIONS

cies as to any particular style of architecture or nationality of trade. Insurance companies resemble men in that their prohibited lists do not in any degree partake of the inflexibility attributed to the laws of the Medes and Persians, for a little period of prosperity and subsequent competition will make the most approved and lengthy prohibited list look like a candy cane on December 26. 6. A prohibited list is among the other things which a wildcat company has not.

See Maximum Line, etc.

Prohibitive Rate, n. 1. A rate so high that the owner of the property affected feels that he can better afford to carry the risk personally than to pay the premium. 2. (Bot.) A rate which, because of the stimulation of a high percentage of physical or moral hazard, develops such rank growth as to be unfit for market. 3. The anomaly common to prohibitive rates is in that the less able the property owner affected is to pay the price the less he can afford not to; for if a corpulent insurance company is inclined to be cautious for fear of loss, how much more is the unfortunate individual in need of protection. 4. Prohibitive rates are the "devils" that push the property owner over into the "deep sea" of "wildcat" insurance.

Proof of Loss, n. 1. A certified statement of the insurance, the loss and the property destroyed or damaged, furnished by the assured as stipulated in the policy. 2. An insurance company does not often take things for granted, however willing it may be to take things for other purposes, and, though its agent may have sent in an account of a total loss on a "preferred" risk, accompanied by his resignation and left-over calendars, and though the special may come in from the scene of the disaster with a detailed report and an odor of smoke so pronounced as to wring tears from the eyes of the entire office force, or the president of the company may receive a marked newspaper account of the fire from a thoughtful contemporary who "stayed off" of the risk (because his agent couldn't get it)—yes, all these and more are not sufficient to satisfy the company positively that there was a fire, and hope that it may be a brutal mistake lives until the properly prepared proofs of loss arrive from the man who owned

INSURANCE DEFINITIONS

the property that burned. 3. Some proofs of loss must be expected, but where they become as common as rain checks in April it is time to begin to look around for a chance to reinsure.

See Blanks.

Pro Ra ' ta, [Dagonish.] 1. In proportion. 2. Especially in fire underwriting, the community of interest of companies often necessitates the pro rating of receipts and disbursements, expenses or losses. Often the pro rating of the premiums may have looked small where the pro rating of losses looks correspondingly large. This is due to the fact that in most home offices the receipts are viewed each morning through the large end of a telescope, while the outgoing checks and drafts in the evening are scrutinized through the other end.

"Pro bono publico
Pro rata indemnio.

—From *What I Don't Know about Latin.* Page 7,876,545.

Pros ' pect, n. [*L. prospectus; prospicio*, to look forward.] 1. One who has evinced a willingness to listen to a life insurance agent. 2. One who refrains from hurling paper-weights, ink bottles, spittoons, expletives or other detachable articles at a life insurance agent who happens to drop in on business. 3. The finished product of a life insurance agent represents three steps—the prospect, the applicant and the insured. The prospect is the birth of hope. In its early stages it is nursed as carefully as an incubator-baby or a boil on the back of one's neck. It is usually fed on a peculiar brand of literature which is judiciously prepared for such cases at the home office. Tons of this nourishment are consumed annually by prospects. All prospects do not become applicants; but where there is health there is hope, and if a prospect does not develop consumption or the borrowing habit an agent sticks to him like a brother, on the theory, "once a prospect, always a prospect."

"*Prospects* are the stuff that applicants are made of,
And applicants, my lord,
When passed the M. D., by the shade of
McNall, become insurants—
And insurants pay commissions!"

—"The King of the Kaw," Act I, Scene 3.

INSURANCE DEFINITIONS

Protect, v. t. [L. *pro* before; and *tego*, to cover.] 1. To guard against fire; to reduce the fire hazard. 2. The danger from fire is universally recognized (in this life and in the life to come), and, as man is an anticipating animal, like the ant, which is the historical personification of prudence, though hardly to be dignified as an "animal," he attempts to ambush and obstruct every otherwise inviting vista that might present itself to an ambitious or inquisitive blaze with such obstacles and discouragements that its journey will be short. This he does by means of water systems, fire departments, fire proofing, patent extinguishers, co-insurance clauses, legislation and religious freedom. II. 1. To take care of, as one's business. 2. Fire insurance companies are often annoyed by the inability of agents in certain localities to secure fully matured and unimpaired rates. When a crop of premiums is coming in from such a district and the consignee companies discover that almost every premium apple in the barrel has a big rebate bite out of the sunny side they know by experience what is the matter. A long season of hot competition has touched the heads of the local premium pickers and in their desire to stand well with the public, their neighbors, they have taken to feeding them forbidden premium fruit. When the malady is discovered to be too firmly established to yield to argument or reason the interested companies resort to the homeopathic remedy of feeding the entire apple to the public, not leaving even a commission core for the pickers. Empty stomachs soon clear their brains, and the companies have "protected" their business, but the pickers, the agents, wonder "who in Sulu is going to protect us?" (Echo answers "Who?"); and they all are compelled to work sidelines until a new crop of premiums can grow.

III. 1. Colloq. To insure.

"Nay, sweet Bretanio,
'Tis not to *protect* us
But to crush us, I vow."

—From *Much to Do for Nothing*. Act. I, Sc. 8.

Public, n. See "The Public."

Py'ro Ma'ni ac, n. 1. One who has an insane desire to burn property.

See Incendiary.

INSURANCE DEFINITIONS

Q

There is none.

R

Range, n. 1. A row of buildings sufficiently contiguous to permit fire to communicate from one to another. 2. An iron box or chest in which, by the judicious association in proper relationships of fire and raw materials, cooked food and other short cuts to dyspepsia and pessimism are produced. It is also used to maintain the average of "kitchen fires."

Rate, v. t. (ra' ted, ra' ting.) [From Roman idiom. *reor*, to reckon.] 1. To determine the percentage or proportionate premium cost of an insurance risk. 2. In fire insurance a risk used to be rated largely by guess and an instinctive knowledge of how much the piece de resistance would stand for; now it is rated by schedule, a simple complex intelligible complicated artless operation of more or less translucence and incomprehensibility. Schedules of various and other varieties may be secured from the schedule laboratories by those authorized to receive them, together with directions for use. They are applied strictly according to aforesaid prescription, either before or after, and when the final figure appears in the lower right-hand corner of the second page of the rating slip it is compared with the former rate and coerced into an approximate relationship thereto. 3. In life underwriting a risk is rated according to age and sex, and, by some companies that insure sub-standard lives, the physical condition is taken into consideration. It is a simple matter to rate a life insurance prospect. All that is necessary is a rate book furnished by the company and a mercantile report to see whether he can pay or not.

See Schedule.

Rate, n. 1. The percentage or proportion per hundred dollars to be charged as a premium for an insurance risk. 2. Something hard to make and easy to break. 3. Rates are naturally ambitious and buoyant, and, were it not for the gravity of com-

INSURANCE DEFINITIONS

petition, they would quickly soar upward, followed by the maledictions and legislative anathemas of a down-trodden and oppressed public. [Anyone who has been followed by a dark brown anathema through the hushed stillness of a dark night can imagine how it would feel to be shadowed by a "legislative" anathema. An octopus is not in it.] 4. Fire insurance rates can be secured already for immediate application from any insurance agent or the local rate shop. As previously hinted, rates are of an effervescent nature and should be kept in a cool place. It is well, too, to weight them down with a large hunk of horse-sense and reasonable precaution. 5. Life insurance rates are always on tap with the nearest representative of "the best company on earth" and as to "nearness" you will not have to use wireless telegraphy, a heliograph or even a megaphone to get into communication if you show yourself half-way sociable.

See Schedule Rate, Prohibitive Rate.

"'Tis not that the *rate* is not placeable;

'Tis that the place is not ratable."

—From *Random Rates*. Page——.

Rate Cut / ter, n. One who or that which cuts rates.

Alias Rebater, Demoralizer.

Rate War, n. 1. A barbarous custom sometimes sanctioned by insurance companies. Its origin is traceable to the "dark ages," when it was the style to shed blood and disfigure the beauty of one's next door neighbor each morning before breakfast. 2. Rate wars among insurance companies are generally instigated by some disgruntled company which finds satisfaction in cutting off its nose to spite its own face. 3. Rate wars are not so common as they were a few years ago, for the reason that, to be successful as to gore and desolation, they must have the hearty co-operation of the local agents located in the storm center; but local agents have discovered by sad experience that they always come out of the little end of the horn when peace is re-established and so refuse to take up arms. A rate war without the local agent is like an engagement between naval admirals—all wind and no bloodshed. 3. It is probable, therefore, that in the near future rate wars will exist only in tradition, and the broadswords, war-

INSURANCE DEFINITIONS

clubs and scare-head dodgers will be relegated to the ancestral armor rooms with other antiquities.

"Brave warrior, rising from the dust,
To thread-bare clothes and meagre crust,
His good sword yielding to the rust,
His folly he has often cursed—
Sad victim of a rate-war's lust."

—Extracted from *The Underwriter's Nightmare*, p. 73.

Ra'ti o, ra'shi ough, n. [Contraction of "rate I owe." S. T.] 1. A mathematical relationship existing between two numbers—the factor which, multiplied by the one, will produce the other. Thus the "expense ratio" which a company's business may reveal is that figure which, if premiums are multiplied thereby, will produce the amount of expense. In like manner, the loss ratio is that figure which, upon similar treatment as to the premium income, will produce the loss payments. If these two operations have not more than put a finish to the premium, the complementary factor of the remaining fragment is commonly referred to as the ratio of profit. This, however, is not the true, genuine, accept-no-other-without-this-signature underwriting profit, as may be learned to the inquirer's edification by reference to U. P. aforesaid, and hereinafter alphabetically arranged. 2. The man who discovered and made first use of the mathematical ratio might well be classed among public benefactors. Without a knowledge of this readily applicable test of relationship, the hopeless complexity of underwriting would make that profession very unpopular, to say the least. That the discoverer of ratios should have given the fruit of his mind to the world without demanding a royalty for its use seems strange. If, even now, he will present himself, with duly authentic proof of his claims, the insurance companies will gladly show a very substantial appreciation of his valuable service. [This offer is made only after a careful examination of the vital statistics of Alexandria on the Nile reveals that the interested party went out of the mathematical business considerably B. C.]

"Absolutely the most astounding, amazing and dumbfounding aggregation of wonder-provoking *ratios* ever congregated under one canvas."—From bill boards of the P. B. A. Circus (3 rings, 2 rings, 1 ring, ringless).

INSURANCE DEFINITIONS

Re' bate, re' beight, v. t. [L. *re*, again; Hib. *bate*, to beat. To beat again.] 1. A common form of philanthropy among insurance agents by which they present their customers with a part or all of their commissions. 2. This generosity on the part of agents has naturally led a large percentage of the public to look upon insurance soliciting as a great snap, since those who engage in it are willing to work for the fun of it. The unanimous willingness on the part of the public to humor this generous impulse is also conspicuous. 3. If it were not the fact that all agents engaged in the insurance business are notoriously wealthy and above the vulgar necessity of contemplating the circumference of a dollar at times, this style of charity would be unknown. 4. Rebating further resembles eighteen karat almsgiving in its unobtrusiveness. See Matt. vi:1-4. [The rebating almsgiver sticks strictly to this text.] Had Solomon lived after the advent of rebating or had rebating been common in his day, he would have added to his Proverbs: "The wise rebater openeth not his mouth to vaunt; but the foolish one, through much speaking, diggeth a pit for his destruction." Which shows what a wise man Solomon really was. 5. Rebating, like some other charities, has been greatly overdone, and strong efforts are being made to check it because of its bad moral effect on the public, to say nothing of its embarrassing influence upon the domestic economy of the agent.

See Cut.

"He wore out scads of leather and he paid no heed to weather;
His company he was able to defend.
But it made no difference whether he lost out altogether,
For he'd *rebat* his commissions in the end."

—From *Misplaced Philanthropy*. First Mis.

Re' bat er, re' bat er, n. 1. One who rebates, gives, surrenders, declines, separates himself from a portion, all or an excess of his commission upon a premium in order to secure, obtain, a risk or beat the other fellow out of it. 2. He is found in all climates, that is, if there is any one slick enough to catch him. He is often hard up and compelled to make his living out of some other business than insurance. He operates unobtrusively, not announcing his generosity by means of a brass band or full-page advertisements. He is much like a flea, in that, now you think

INSURANCE DEFINITIONS

you have him and you haven't. He has been known to appear in large swarms in certain localities at times and has wrought great ruin to the insurance business. 3. The other fellow. 4. Attempts have been made to exterminate him by fines and ostracism. Neither of these is specific.

See Rate-Cutter, Demoralizer, or, better still, the manager of the local board.

Re build', v. t. [L. *re*. A. S. *byldan* (an Anglo-Saxon head with a Roman nose).] 1. To build again. 2. To replace. 3. As fire insurance companies undertake only to indemnify against loss due to fire they reserve the privilege of restoring or rebuilding the property destroyed to as good condition as it was before the contingency contingend. This is generally agreeable to the insured, but occasionally it so derails the plans of the unfortunate claimant that he becomes vituperative and otherwise unpleasant when it is suggested that he permit the rebuilding of his place instead of being given the money. He may even have prudently arranged for the judicious disposition of the cash before the fire, being of an anticipatory frame of mind and having noticed certain things about the risk which led him to suspect that he was about to be visited by Providence and the fire department. In such a case it is embarrassing to abandon a trip to Europe on a liner or a scoot over into an adjoining commonwealth on a brake-beam, disguised with a week's beard and an alias with a brogue, just to stay home and watch the erection of a building you don't want and to smell plaster and paint until your olfactory nerves are pickled and your sense of unrequited martyrdom is as prominent as a hollow tooth. 4. Rebuild refers only to fire insurance at present; how long this will be the case is doubtful, as the enterprise of life insurance companies leaves no limit to the possibilities of their undertakings and accomplishments.

Re ceiv' er, **re sev' er**, n. [F. *receveur*.] 1. One who or that receives. 2. One who winds up an insurance concern. He usually winds it up so tight that it can never go again. 3. One appointed by court to put a crippled financial wreck out of its misery. 4. When a receiver is appointed to close up a company he first fires all the officers who have been drawing princely salaries and then

INSURANCE DEFINITIONS

looks in the cash drawer to see how long it will take to put on the finishing "touch." This he determines by dividing the amount in said cash drawer by the sum at which he values his time per week. The result is the time. The more money it has the more he will feel like giving it a good, first-class wind-up. His duties are somewhat arduous, as he has to carry on a line of correspondence that would make an undertaker's letter files look like an author's manuscript for a comic weekly. His cue is to receive kicks, claims, bills, roars, demands, threats and lamentations. He answers uniformly, "Your claim has been filed and will partake with the rest in the apportionment of dividends and the distribution of disappointment. The indications are that the latter will score higher than the former." Methuselah is quoted as having said, "Every assessment company has its receiver." This is mighty consoling since it would be tragic indeed for a tired and exhausted assessment company to arrive at its inevitable finish and find no receiver to welcome it. But Methuselah would not have made such a statement without justification and he was certainly old enough to know. 5. The receiver is the only one who deals with an assessment concern who is sure to obtain a full settlement.

Rec i proc' i ty, res i pros' i ti, n. [L. *reciprocus*, meaning getting back at him.] 1. Doing others as others do you. 2. Giving and taking. 3. An optic for an optic; a molar for a molar; a straight arm for a straight arm, an astragalus for an astragalus, a fibula for a fibula, and so on through the entire category of human complexity. 4. The silver rule in action. 5. Reciprocity to a great extent governs the style of reception and treatment that insurance companies coming from one State may expect in another. If a company's home State is inclined to be lenient towards strangers it will generally meet with a kindly reception in other States that it decides to enter. Of course no band and reception committee meets the train to escort it to the State House, but the holdups to which it is subjected are carried through in such a gentlemanly and friendly manner that it feels like apologizing for not having to pay more than is asked. But when a company hails from a State that treats insurance companies which get into its borders as legitimate prey, always in season, it will find a lot of armed

INSURANCE DEFINITIONS

pirates waiting to get even wherever it goes, and if it manages to save some portion of its premiums to underwriting profit account it is simply an accident or because some tax clubber was asleep or had forgotten his X-ray outfit and could not discover that a part of the revenue had been temporarily swallowed. 6. Reciprocity is a comprehensive process for covering any omissions in burdensome legislation which may have unintentionally occurred.

Syn. Retaliatory.

"What they lacked in precocity
Was made up in reciprocity."

—From *Lux Legis*. P. CXXVII.

Re cord'ing Agent', re kord'ing a'jent, n. An agent who signs policies (when he has any to sign, of course).

Compare Surveying Agent.

Re duce', re duse', v. t. [L. *reduco*, to lead back (with a club).] 1. To cut down. 2. To make less. 3. To curtail. (There are other words which also express the thought, but you doubtless catch the drift.) 4. Reduce, as an insurance term, is more useful than popular. Reducing a line, a rate, a commission, expenses, amount at risk or an impatient creditor to an indulgent mood—all these smack of unpleasantness. Although a "line" in mathematics is an imaginary affair, having neither width, thickness, avordupois or a market value, yet in fire insurance "lines" are not so afflicted and may be readily reduced, though, of course, if the reducing process is persisted in, an insurance line may be worn down to the unserviceable dimensions common to the mathematic variety. This reducing idea became epidemic with fire insurance companies in the opening years of the twentieth century, until many agents were reduced to the necessity of seeking other and less restricted channels to ultimate wealth.

Compare Cut.

"Raise a rate—raise a hue, a cry;
Reduce a rate—as still as slumber, aye.
'Tis more? 'Tis but to howl;
'Tis less? How much and not the why."

—From *Insurance Khayyams*. XX.

Re in state', v. t. To restore to full force and effect a policy which, through some neglect or misbehavior of its holder, has been suspended or lapsed temporarily.

Observe Revive

INSURANCE DEFINITIONS

Re in state' ment, n. The state of being reinstated. Said by those who have experienced it to be very enjoyable and comfortable.

Re in sur' ance, re in shur' ans, n. 1. The act of insuring again. 2. Technically known as disposing of a "hot potato." 3. May be a "partial" or an "entire" operation; when the latter it is also known as "the finish." Reinsurance of the "entire business" is becoming as popular with certain classes of fire insurance companies as golf is with—the rest of us. 4. Although one visitation is usually fatal to the company affected, some survive the shock several times; notably, the Manhattan, Indiana special-charter companies, et al.

See Receivership, Bankruptcy, Failure.

Re in sur' ance Re serve', n. A sum set aside by an insurance company as a liability to cover the unearned premium account. The keystone of an "old-line" company and the guaranty of protection to its policyholders. It is determined from time to time by carefully calculating the amount necessary to carry the outstanding business, with subsequent premiums, to expiration. Assessment companies, pure and simple, avoid this annoyance temporarily by eliminating the reinsurance reserve entirely. However, if the reserve fails to accumulate, the annoyance does not, and when it becomes too great for accommodation in the home office a dividend is declared, and every one of the members is given a large chunk, etc. [*Requiescat in pace.*]

See Reserve.

Re ject', v. t. [*L. rejecto*, to turn down.] 1. To decline. 2. To refuse. 3. To spurn. 4. To signify a determination to struggle along without.

For more detailed information see below.

Re ject'ed Risk, rejek' ted risque, n. [*L. rejicio*; A. S. *hriscian*.] 1. An applicant for life insurance who has been turned down by the medical examiner. 2. A sub-standard life. 3. The rejection of an applicant casts a dark gloom over the agent who rounded him up, dense in proportion to the amount of insurance he was to take. 4. A rejected risk quickly becomes dejected as

INSURANCE DEFINITIONS

well, because he finds he has put off insuring too long, and he often begins to wilt immediately after the verdict and may continue the process persistently enough to fill an early grave. But some rejected risks fool everyone and go on outliving all acknowledged expectancies as well as the agent who made the futile attempt to insure them and the M. D. who made the attempt futile.

5. The rejected risk undergoes a sudden change in his opinion of the methods of life insurance companies. Until he yielded himself as an applicant and signed his name to the blank he had been leaning back and bracing himself against the efforts of the agent to land him. When he met the M. D. he noticed a change, for then it was the M. D. who was offering the resistance and who seemed as anxious to keep him out as the agent was to get him in. 6. When a man finds himself classed as a rejected risk he begins to want insurance with a great unquenchable yearning. If the general public was all as anxious to secure life insurance as a newly-rejected risk is, what a cinch the business would be! A rejected risk often becomes a chronic applicant. 7. The best treatment for a rejected risk to take, and his only valid hope for prolonged days, is an annuity. Companies are generally willing to sell liberal annuities to such cases; but the way some of these alleged wrecks have continued to draw their yearly allowances and their breath long after the premium was dead and buried is a caution.

See Applicant, Medical Examiner, etc.

Re mov'al, n. [*L. removeo*, to move again.] 1. To change the location of insured property; to take it from the building described in the policy. 2. A removal may result in an increase in the hazard, and it has always been legally recognized, with but few exceptions, as a nullification of the contract, unless a permit granting such a performance be issued by the company. This is but just. A company may insure a stock of goods in a fireproof building, equipped with a moat, an automatic cloud-burst and a prosperous run of trade. The owner, in an attack of mental decrepitude, may become enamored with a desire to save rent and move his stock into a ramshackle fire-trap, exposed on the north by a planing mill, on the east by a livery stable, on the south by a perennial clothing-house loss and on the west by a side street with two blocks of nothing doing, while the whole place is per-

INSURANCE DEFINITIONS

vaded by germs of an attack of moral hazard. 3. The eccentricity of insurance companies as touching removals is annoying to that species of human free thinkers who consider it cheaper to move than to pay rent. Occasionally a specimen discovers himself compelled to move because of rent obligations and contemporaneously unable to budge because of his fire insurance company's impecuniosity as to removal permits. [Note.—It costs money to print permits.] The outcome may be more accurately imagined than described. 4. Loss occasioned by removal which is made necessary by fire is recoverable—if the company has assets. The distinction should be clearly recognized, however, between such a condition and that attending an explosion, where the removal takes place immediately prior to the fire, in which case the claim can be based only on the market value of the debris after the upheaval, and the damage by fire only will be considered in the claim.

Remov'al Per'mit, n. Permission granted by a fire insurance company to remove insured goods from one location to another. This does not mean that the transportation shall be effected suddenly by means of a dynamite instigation or any other sudden method which might tend to mar the usefulness and market value of said goods. Insurance companies are not anxious to assume a blanket responsibility for the welfare of a widely distributed collection of household effects.

Re new'al, n. [Derived from an expiration book (preferably the other fellow's).] 1. The act of renewing an insurance policy. 2. A profitable and highly enjoyable proceeding, common to any popular fire insurance agency. 3. The resurrection which follows an expiration. 4. The renewal of a policy is ordinarily a simple affair. The agent notifies his client that his policy is about to pass in its checks and that he will be delighted to furnish substantial consolation with another policy of the same ancestral origin as the deceased, at the same rate and in every way as worthy of his confidence and respect. Or he says nothing about it, but just makes out the new policy and casually leaves it at his client's office with as little sensation as possible. These plans work well enough when former conditions are unchanged; but

INSURANCE DEFINITIONS

let the rate be .001 per cent. or more higher than on the late lamented and there is a wide stripe of distress developed forthwith, which varies in width and density directly as the square root of the increase multiplied by the acceleration. (If you don't believe it turn to Corollary XVII). Another cause of friction not uncommon arises from a change in the company, which may be made desirable or necessary to the agent because of—well, various things; and the client may erupt into a violent art critic, most unreasonably pressing his preference for documents adorned with smoking mountains, harts' horns or other effects, as the case might be. It sometimes takes five dollars' worth of time to undevelop such a negative and convince the negater that there is more than one brand of good indemnity, just to save a \$3.28 commission.

Compare Expiration.

Re place', v. t. See Rebuild.

Re pre sent a' tion, See Agency.

Re pre sent' a tive, n. See Agent.

Re serve' *rezerv'*, n. [L. *re*, again, back, and *servo*, to keep.] 1. A fund set aside to offset a liability. 2. Rainy-day money of an insurance company. 3. The chief of these funds is the "re-insurance reserve," which is an amount sufficient to buy for all the existing policies of the company a good, Christian home in some other company if the parent organization quits the business by choice or necessity. This reserve is easily and accurately determined by means of an actuary, a pencil and several tons of scratch pads, more or less, according to the size of the company. Such a reserve, based upon an accepted table of mortality and dealt according to Hoyle, is also known as a "legal reserve," and will receive a clean bill of health in any State insurance dispensary. 4. The term "reserve for unpaid losses" is automatic, in that it is self-explanatory. However, its simplicity of comprehensibility does not detract from its importance as a factor in correct

INSURANCE DEFINITIONS

underwriting. 5. "Reserve for all other liabilities" is as indefinite as the term immediately preceding is exact and may cover a multitude of sins. Under it are included back salaries, rent, subscriptions to insurance journals and other charitable institutions, etc.

See Reinsurance.

Res'ident A'gent, rez'i dent a' gent, n. [From *resident*, voting, domiciling; *agent*, representative.] 1. The representative of an insurance company who works his home field and home folks. 2. A bona fide, legitimate, licensed insurance writer. 3. Opposed to non-resident agent. [Which observe.] 4. Scientific (mostly zoological).—The insurance agent common to daily encounter (*agens domestica*), a species belonging to the great and renowned *genus homo afflictioetpaucusdies*. It is found in all parts of the civilized world (and doubtless exists in uncivilized and undiscovered wastes as well). It is non-migratory, being observable in all climates and in all kinds of weather. On clear and salubrious days it may be seen, without much difficulty, clothed in an atmosphere of good cheer and approachable friendliness, besides other raiment, while on rainy or inclement days, in addition to this fair weather plumage, it affects a flexible univalue wing, so to speak (whenever it can borrow one), with which it protects itself from the elements. Its distinguishing characteristic is its inclination to confine its natural enjoyment of life, liberty and the pursuits of happiness, etc., to a limited territory, not wandering permanently from the home nest—which accounts for its scientific alias, possibly. The species *genus domestica* is also subdivided, some of the chief divisions being *ignis agens domestica*, *vita a. d.*, *accidens a. d.*, *et al.*

See Agent, Non-Resident Agent.

Re turn' Com mis'sion, n. 1. In the event of the cancellation of a fire insurance policy, the commission on the return premium. 2. It thus behooves an agent not to spend his commission as soon as he gets it, but to maintain an unearned commission account just as companies cherish unearned premium accounts. In this way he is relieved of disappointment when the irony of fate digs deeply into his cash drawer in the guise of return commissions.

INSURANCE DEFINITIONS

Return' Pre'mium, n. 1. That portion of a premium which is returned when a policy is canceled before it becomes due or a claim. 2. Insurance companies are very methodical, among other things (and they have to be, since curious State representatives are continually prying around in their most strictly private corners and closets, seeking what "they may devour," as an ancient author concisely put it), and it is their custom to file away carefully every premium they receive, neatly labeled and indexed. Then, when for some plausible reason or otherwise the policyholder decides he does not want the policy and brings it back, or the company gets uneasy about the careless way a policyholder has of handling matches, kerosene or his moral hazard, the policy is canceled, and that part of the premium which still remains of the original amount is unfiled, dusted off and returned to the policyholder. 3. It is not uncommonly the case that after a man has bought an insurance policy he gets to thinking about it, and gradually his cogitations give birth to a doubt as to the company's ability or desire to pay in case he does have a fire; he becomes panic-stricken, rushes to the agent who sold him the policy and says that he has decided that he is not going to have a fire, anyway, and wants his money back. The agent calmly makes some figures on a piece of paper, steps to the safe, takes out what is left of the man's premium and hands it over to him. The look of surprise that spreads over the skeptic's face at this juncture is recognized by all insurance men as one of the high lights of the business. The man leaves the office somewhat dazed and he does not get a block away before he wishes he had not returned the policy. The agent gloats, for he knows that nine times out of ten the risk will burn before another moon has waxed and waned.

See Canceled Policy and consult the short-rate table.

Re vive', v. t. [F. *revivre*; L. *revivo*, *re* again, *vivo* live.] 1. To restore or continue a life insurance policy upon its expiration. 2. To reinstate. 3. To revitalize. 4. Life insurance agents are not only missionaries, but evangelists as well. After having converted an improvident heathen to the insurance path it is often necessary to conduct a little revival service with the convert upon each recurring premium-paying period to keep him

INSURANCE DEFINITIONS

from relapsing into barbarism. Where it is discovered that a member shows signs of backsliding and an inclination to take his chances and let things slide, an exhorter hastens to his side and in vivid language portrays to him the certain horrible fate that he must expect if he does not hold fast after having once taken hold. He calls upon him to remember his family, his business, his neighbors, his family physician, his undertaker and his friend, the agent. He appeals to his cupidity by reminding him of the enormous profit that will accrue to the company because of his first premium should he lapse. [This latter argument won't go, however, where the agent donated his commission on the first premium.] Ordinarily the agent's eloquence prevails and another "revival" is recorded on the books of the company. These revival services become less and less necessary as the insuring habit grows on a policyholder.

Compare Reinstate.

" — — — — — revive — — — — —
— — — — — ?"

—From *Insurance—Thou Cryptograft!* Page 80.

[NOTE.—I fail to recall on the spur of the moment some of the words in this quotation, and take the liberty of supplying their places with dashes, which will doubtless not materially interfere with the sense.—Lexicographer.]

Ri'der, n. [A. S. *ridere*, ride.] 1. One who or that which rides. 2. Technically, a clause, form, slip or paragraph, whatsoever, printed or written, which may be on a separate piece of paper, but is attached to an insurance policy and made a part of the contract. It is lots simpler than it sounds. You see, the groundwork of policies may be in the main the same, but with such a variety of risks there are conditions in each individual case which are peculiar thereto, and to cover these idiosyncracies riders are prepared, which are attached to the general form policy by means of good mucilage, or poor mucilage and patience. [Note.—Rough Notes Company has good mucilage for sale. Send for prices. (Paid adv. t. w. f.)] Insurance policies are like horses—some carry single, some double, while others carry as many riders as can stick on. 3. Caution.—No rider is unimportant, and the text of each should be carefully read before the policy is delivered.

Refer to Blanks, etc.

"Am queklor *ridere* ak
Prag morke wydan mak."

—From the original. Original what?

INSURANCE DEFINITIONS

Risk, *risque*, n. [L. *reseco*; *re* back (or out), *seco* to cut, meaning "to cut out."] 1. That which is subject or liable to destruction or injury from certain hazards or contingencies. 2. Something, to cover which, insurance is written. 3. Risks which attract the solicitous attention of insurance companies occur in the three great kingdoms into which all things mundane fall—animal, vegetable and mineral. (a) The first is the province of life, accident, liability et al. underwriting, and is not neglected, as any "animal" therein will cheerfully testify. The extreme uncertainty and modesty of the vital spark is brought so forcibly to the attention of its possessors by insurance agents continually that they must believe it, although at times, as the poet says, "the spark is fanned to a flame of passion through too much blowing." When that happens somebody stands a good chance of getting "fired" and the feeble-spark graft shows a falling market. (b) The second and third kingdoms—vegetable and mineral—fall to the particular heritage of the fire insurance agent. He goes hand in hand with the architect who plans the harmonious combinations of the products of these two kingdoms in edifices, structures and other buildings, and he goes arm in arm with the capitalist to the city offices to get the building permit, and he abides with said capitalist like a brother—worse, like a shadow on a sunny day—until he has secured the line. It may be on a henhouse or a coal shed, or it may be on a sky-scraper or only a Newport cottage, but the man with the money and the nerve to spend it thus recklessly is, to the fire insurance agent, a "capitalist" and an object of loving interest and attention. 4. "Risk" may also be used as a verb—without incurring criticism.

Sometimes synonymous with Hazard.

"Of course he will write the *risk* but then
In case of loss you'll have to come again."

—From *Felines and Surplus Lines*. Sixth and Seventh Lines.

Run, v. (ran; run; running.) [A. S. *rinnan*, to chase one's self.] I. v. t. 1. To operate, as "to run an insurance agency." One may run an agency on a paying basis or he may run it into the ground. Paying bases come high sometimes, and then the business is easily run into the ground. Strange, but true, the duller a business is the less effort it takes to put the whole shooting match so far out of sight that there will not even be a dirty blot-

INSURANCE DEFINITIONS

ter or a canceled postage stamp left to mark its grave. 2. Run may be used with equal force and the same poetic application to insurance companies. II. v. it. 1. To hasten away rapidly in a great hurry. 2. To make one's self scarce. 3. A habit or custom common to embarrassed agents or insurance employes—financially embarrassed. 4. To skip. 5. To retire precipitously. In fact, there are many other terms and expressions which might be said to convey the same meaning. 6. Surety companies have been organized to help break modest ones of their excessive timidity.

Run, n. 1. A season. 2. Spell. 3. Streak. 4. A common expression is "we have had a very bad run of losses." Occasionally one overhears, "I have a great run of luck." Because one may be heard oftener than the other is not so much due to the fact that the one condition really predominates over the other as that the proneness of the human mind is to magnify trials and overlook blessings.

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Sal 'vage, n. [Syriac. *skalvajgex*, meaning "fire sale, 99 per cent. off."] 1. The product of a salvage corps. 2. Goods or other property rescued from a fire. Do not, however, erroneously refer to human beings who happened to be saved from the flames as salvage. If said human beings carried life insurance, they might be called life insurance salvage, but it would be a new use of the word and might get one into trouble. 3. Salvage is generally used to stock "fire sales" and "great reduction smoke damage sacrifices." Some people would rather wear a smoked or water-soaked suit of clothes which has been marked down from \$10 to \$12 than to wear it at the original price undamaged. 4. Salvage in the rough is not an inspiring commodity to deal with, but adjusters spend most of their time mussing around piles of it, crawling through charred wreckage to get next to it, wading in flooded cellars just to get a glimpse of it, writing about it, talking about it, dreaming about it, and, upon occasions, rare, of course, some have been known even to swear about it. If it were not for salvage there would be no adjusters, no fire sales, no smoke damage sales, no partial losses, no wrecking companies, no hope of an underwriting profit—blessed be salvage.

INSURANCE DEFINITIONS

Sal'vage Corps, sal' vaje core, n. [Metropolitan.] 1. A body or company of men who save and protect property from fire. 2. That part of a fire department the maintenance of which a municipality generally turns over to the insurance companies or to private interests. A city will calmly purchase new chemical engines, hook and ladder trucks, steam fire engines, hose wagons, shoe and metal polish, soap, insect exterminators and greased lightning to be used in the alarm telegraph system, but if any one in the private walks of life should suggest the installment of a nice little marked-down salvage corps he would instantly be tabooed, whatever that is, tarred and feathered, and henceforth and forever thereafter disenfranchised. (This latter form of torture is said to be quite painful and embarrassing, and leaves a mark like vaccinating, tattooing or other caprices of advanced civilization.) 3. A salvage corps is generally composed of several men (sometimes more and sometimes less), who live in a house with a horse and a light wagon, which is equipped (the wagon only) with axes, lanterns and a lot of neatly-folded dog tents or "covers," as they are technically designated. During lulls in business these men occupy themselves much as other species of firemen, and you will often find checker players among them who are equipped with a dorsal fin, or horseshoe artists who can decorate a pin set in the ground fifty feet from the nearest exposure with a full set of low-cut *passee* horseshoes, while one hand is tied and one eye is shut. As in other buildings devoted to this style of public utility, a very sensitive and highly irritating gong is enshrined in a prominent place and is liable to violent attacks of ringing at most inopportune and unexpected moments, night or day, to escape the annoyance of which the corps retires precipitately from the place and remains away until the gong subsides or until the corps loses interest in the "still" or conflagration, which generally manages to occupy its attention while at large. 4. Of course, the chief end of a salvage corps is not checkers and horseshoes, and it shows very evident marks of animation in the presence of a fire. One of the most lasting impressions a provincial will receive who inadvertently gladdens some metropolis (and brick trust) with his receptive presence is a salvage corps in full action, if his pursuit of business and pleasure will permit him to tear away long enough to observe one when oppor-

INSURANCE DEFINITIONS

tunity arises. He is astonished to note the asbestos manner in which the members of the corps eat fire and breathe smoke. He thrills with expectant delight when one passes into a flaming doorway with his arms apparently full of dirty laundry, and is slightly disappointed to see him return later, empty-handed, only parbroiled instead of crisply incinerated. A salvage corps man who has been spreading covers for two hours in a sprinklered wholesale coffee house is no subject for the joyous embrace of a butterfly of fashion with her glad wings and powder on. He is more fit for the arms of Morpheus, if the expression is permissible.

See Fire Department.

Syn. Insurance Patrol.

"Just why a *salvage corps* should be
Divorced, sans alimony, likewise fee,
From the fire department puzzles me."

—From *The Reveries of a Manager*. Tenth reverie.

Scale, skale, v. t. [L. *scala*, from *scando*, to climb, as a policyholder.] 1. To cut down a policy in settlement. 2. To knock off a specified amount for specified or unexpected reasons. 3. Some companies resort to scaling per necessity, on the principle "it is better to pay a little than not to pay at all." This painful necessity commonly confronts assessment concerns. It's a part of the system. 4. Graveyard-mongers also indulge in scaling of claims, the time during which the policy has been in force being made to determine how much of the face of the policy the company will retain. Some claimants have been known to recover almost as much as was paid in as premiums. 5. This style of settlement is sometimes referred to as scaly treatment, but this is not a scientific expression.

Sched' ule, schedule, n. [L. *scheda*, a leaf of paper. (Evolution has done wonders for this word.)] 1. A rating formula. 2. A scientific method of making fire insurance rates. 3. The crystallization of general experience into definite applicable form. 4. A schedule is the analysis of a risk into its hazards, with the price marks attached. Before the advent of the schedule the inspector was compelled to depend a good deal upon his own judg-

INSURANCE DEFINITIONS

ment and the prices bid by his competitors. In pre-schedule days the inspector was apt to see the risk as a whole, and when he guessed a rate he was always anxious to see what the other fellow had guessed, nor was he generally so tenacious to his venture but that he could be persuaded to pare off a shade to make it less obnoxious to the property owner. But with the invasion of science into the business of fire underwriting came its automatic, adjustable, comprehensive and awe-inspiring product—the schedule. All the uncertainty of rate-making has been dissipated (the uncertainty, notice). Through a carefully digested knowledge of what has happened it is now ascertainable to a nicety what will happen under like conditions. Instead of a general vista of rooms, openings, machinery, shafts, skylights and inflammability, as the risk used to appear to an inspector, it now sorts itself out in alphabetical order, classifies itself like a State museum, counts fours, presents arms and passes in review; so all the inspector has to do is to label the items, add the charges to the basis rate, subtract the credits and catch his train. It looks as though an office boy might do it, but somehow two experts can begin at opposite ends of a block and work towards each other, applying the same schedule, and when they meet in the middle their rates will often be as far apart as an ordinary Legislature and common sense. However, this discrepancy is not charged to any fault in the schedule, but to the annoying trait common to man—individuality. We have horseless wagons, wireless telegraph (there seems to be no hope as yet for wireless politics), smokeless powder, powderless girls (?), girlless pianos, pianoless flats, and so the possibility of inspectorless schedules may not be very remote. Until then, however, it can hardly be expected that even the most perfect schedule can be applied as noiselessly and as free from friction as the advancing shades of night.

"The schedule is no gentle jest."

—From Homer's *What I Did to Troy*. 8th Round.

Sched' ule-Rat' ing, sked'yul-rat'ing, n. [Lat. *scheda* and *reor*, *ratus*.] 1. The scientific method of fixing the price of indemnity from fire loss. 2. A system of making rates according to an accepted and uniform schedule instead of by guess and by chance. These schedules are prepared by the wise ones of the pro-

INSURANCE DEFINITIONS

fession from data obtained through years of experience. Where a schedule is to be applied it is not customary to use a paint-brush, a broom or a force pump and a sprayer, but just ordinary common sense and a pair of good eyes. To apply a schedule properly it is necessary to see the risk itself and not to depend altogether upon its outline on the map. The interior of the risk must be observed as well as the exterior. (Note—Tar soap is good for the removal of grime and grease and court-plaster may be obtained from any accident insurance agent.) 3. Schedule rating reduces the element of gambling in fire underwriting to the minimum and is said to be the only "system" that can win in this great game of chance.

See Universal Mercantile Schedule et al.

Se cu'ri ties, se kew' ri tis, n. (Commonly plural as an insurance term.) [L. *securitas*, a cinch.] 1. Documents or evidences of invested assets. 2. Interest-bearing resources. 3. The spirit of unrest which agitates the human race extends also to its creatures and instrumentalities; thus an idle dollar is as abhorrent to the eternal fitness of things as an idle man; so, as the eagle comes flapping into the home office of an insurance company in the role of a premium, he may not be allowed to roost over night even, but the company's hired man shoos him away in the shape of a security, with the sibilant warning: "Go to! See that thou rest not. Earn thy 4 per cent., and, when thou returnest, see that the spread of thy wings has not lessened and that thy market value has not reached its p. m. in Wall street." 4. Securities are productive assets. In most large cities there are markets where these products are on sale. Any one desiring to buy a mess will find generally that his purse must be larger than his market basket. It also takes more capital to start a securities stand in one of these markets than it does to open up an apple stall in the public forum. Besides other products common to rural landscapes, farmers also raise a species of securities known as mortgages, which prove universally popular and are always in season. 5. Securities is a term with which all would doubtless be willing to be intimately familiar.

Se lec' tion, se lek' shun, n. [L. *selectio* (n), from *selectus*, p. p. of *seligo*, to cop out.] 1. The general resultant condition or

INSURANCE DEFINITIONS

standard of a group or covey of life insurance policyholders as superinduced or influenced by exactions, conditions or circumstances under which they were gathered. 2. Selection, as an insurance term, suggests the winnowing property of insurance. In life insurance the general scheme, as a whole, possesses this sifting, sorting influence, and by it a community is readily arranged in its general classifications. But, contrary to the process of grain winnowing, life insurance selection does not tend to retain the best and cast off the more undesirable, for the mechanism of selection is such that the persistent premium payers are found to be the ones who are suspicious of their mortal habitation, those who have discovered that the wiring of their nervous system is defective, that their heart pump valves are worn, that the chemical laboratory shelves of their digestive apparatus are about out of some important ingredient, that their calendar in general shows but a few leaves more to be turned; while the hearty, leather-lunged, nerveless, red-blooded, living picture of self-confident health, with a steel-ribbed, double-riveted, boiler-iron digestive economy, scoffs at his need of insurance and lapses as soon as he recovers from the surprise of having signed on the dotted line. 3. Individual companies, also, often present characteristic conditions in their contracts and methods of getting business, which result in selections peculiar to themselves. With some, because of strict medical examinations, the selection shows a high standard almost approaching octogenarianism, while in others a "sub-standard" life provision will put a gleeful ring in the voice of their competitors as they regretfully call attention to this so-called flaw in the fabric.

"*Selection is an involuntary choice of a standard of risks which might be remedied or not as the case might be.*"—From *Selection and Expectation*. Ch. II.

Sep a ra' tion, n. [L. *separatio*.] 1. The conversion of a mixed agency into a Union or non-Union office. 2. The forcible ejection of one class of companies from an agency to clear the air for those that remain. 3. The reform which established-faith fire insurance companies have been trying to accomplish with persistency, more or less spasmodic as to fervor, for many years. It has long been an annoyance for companies of this persuasion to be forced to touch elbows in the same agency with non-conformists. The untrammelled freedom with which the latter dipped into the

INSURANCE DEFINITIONS

common bowl of premium soup with an over-sized commission spoon, ate with their knives and wiped their mouths on the tablecloth was aggravating to say the least. The brazen efforts which these free-thinkers put forth to secure stand-ins shocked the sensibilities and likewise the profits of those of the established faith. Although many things contributed to make the association mutually disagreeable both were always reluctant to retire and leave the spread to the other. All attempts to force separation have failed of complete success. Graded commissions contingent upon the Unionizing of the agency was one quite effectual persuasive that was tried upon the non-conformists.

See Graded Commissions, Western Union.

Shelve, vt. [Ice. *skelgja-sk*, sloping.] 1. Literally, to place on shelves, as supplies; figuratively, to leave there. 2. An agent sometimes takes the supplies of the company which he does not expect to use, just to keep them out of a rival's office. The blanks are then shelved. They sometimes encounter the same fate in offices where they have been enjoying friendly consideration when the agent becomes aggrieved because a certain line has been curtailed or turned down, or because the special agent wore his politics too prominently, showed too much attention to a rival agent or committed some other glaring irregularity. 3. A home office can usually discern, without special notification, the fact that its supplies in a certain agency have been shelved. This is commonly indicated by a cessation in the regular flow of daily reports, and the intensity with which the shelving is being applied is determined by taking 30 per cent. of the cube root of the time (standard) since the receipt of the last daily. The only way to correct the case is to square the agent. There is no set formula for this, but every wise special has different remedies for different cases.

"Shelved supplies breed no losses."

—From *The Silver Lining*. Page 1621.

Short Rate, n. [Tech. Ins.] 1. Rate charged on fire insurance policy which is canceled before it expires. 2. For convenience a table has been prepared which shows all the possible combinations that can be played in short-rate transactions, and

INSURANCE DEFINITIONS

every clerk in an insurance agency, no matter how much he weighs, is expected to commit it to memory. Unless a chap has cylinders in his head like a phonograph, it is no easy thing to stow away a perfect record of a short-rate table, and as, in addition to this, an intimate speaking acquaintance with the multiplication table is also earnestly required of these aspirants for a place on the first round of the underwriting ladder, it is not strange that raw material is scarce and that most boys prefer to win affluence by less forbidding ladders. (The foregoing is strictly imaginary and can be believed or not, as the reader is inclined.) 3. Short rate also rhymes with short skate, which, however, may be an irrelevant coincident. 4. Short rates are often a by-product of moral hazard.

See Cancellation et al.

"Charge a short rate—save a loss."

From Insurance Proverbs. XI, 2.

Short Term, adj. 1. Not long term. 2. One year or less. 3. Short-term business is attractive, as it does not keep assets long tied up in the reinsurance reserve.

Side-Line A 'gent, n. [Colloq. U. S.] 1. A grocer, doctor, undertaker, saloon-keeper or any other merchant or professional man who takes an insurance agency "just as a filler." His versatility makes the ordinary humdrum life of a specialist a burden. He often acquires so many side-lines that he does not know which is the main cable. Life with such a man is well spiced. To be sure, he sometimes gets his lines mixed and has to turn over sixteen bolts of calico, move two flour barrels and disturb the meditations of several sacks of seed potatoes to reach his insurance supplies. Occasionally he forgets to date a policy or omits a mortgage clause or neglects some other minor detail; but this makes no difference—unless there is a fire, and then life, with him, becomes real and earnest. It is this class of agents who annoy the real article by handling rates carelessly, and, furthermore, they have been known to forget to include their commission. Such lapses of memory may be excusable considering all they have on their minds. 2. Side-line agencies are the fruit of the multiple agency habits of many companies.

INSURANCE DEFINITIONS

Sin'gle Prem'i um, n. A premium to carry the policy to expiration or maturity.

See Premium.

Sky Light, n. [From *sky* and *light*.] 1. An architectural wart on the roof of a building to facilitate the communication of flames. 2. Its success in this line has long been acknowledged by fire insurance companies, which have penalized it with complimentary charges in the rate. It used to be constructed of wood, pitch and glass, carefully designed, with a view to rapid combustion, but it became so effective that now every effort is being made to see how fireproof it can be made and still serve as an access to neighboring conflagrations. 3. It is also used as a means of lighting interiors of buildings.

Sky-Scra' per, n. [U. S.] 1. A modern building of great height. 2. A building that scrapes the sky. Owing to the peculiar composition of the sky this can be done without seriously defacing its usefulness in scenic effects. Notwithstanding this fact, in Boston an edict has gone forth limiting the depth of the scratch, presumably because the streets are so crooked. In New York and Chicago an effort is being made to make the snow-line the limit, but if it does not materialize quickly it is predicted that citizens of Mars and other planets will secure an injunction against the earth's circulating in its present proximate orbit. 3. Sky-scrapers are the product of the characteristic American talent to rise to the occasion. With fabulous real estate values, overspread with such a depth of the air of freedom, manufactured in its purest form only in the United States, and to be had for the taking, the sky-scraper is the natural result. It grows highest on the most valuable ground. It grows quickly also. It takes less time to build a thirty-story sky-scraper in America than it does to construct an idea in some other countries. 4. The American sky-scraper is now being raised successfully in several large cities of the English Isles and Europe from seeds secured in the United States. Just what will happen after the sky-scraper sheds its bloom and leaves in the falltime of its career is awaited with some interest and apprehension, and, by the more timid ones, at a distance; but it would hardly be worth while for any curious

INSURANCE DEFINITIONS

person to take his stand opposite a sky-scraper and wait for its ultimate dissolution. If he tried to look at the upper stories long enough to detect the first movement he would soon become chronically afflicted with an oberstromulous neck. 5. Sky-scrappers are of particular interest to fire underwriters, as they are perfectly fireproof and make most spectacular fires when they burn. The only effective remedies for a sky-scraper blaze are standpipes and a roof-garden hose. 6. Sky-scrappers appeal to casualty companies as well, because of their elevator systems, which sometimes deposit passengers at the ground floor as claims.

See Building, Congested District.

Slip, n. 1. A conveniently arranged blank form for the compilation of data, as an inspection slip. 2. Slip, a relative of the verb slide, also figures somewhat extensively in underwriting. "There is many a slip," etc., is also applicable, but these are not technical, and need not receive further comment.

So 'cialism, so' shulism, n. See Fraternalism.

So lic' it or, solis' it ur, n. [F. *solliciteur*, to chase.] 1. One who or that which solicits. 2. One who canvasses for insurance. 3. Personification of patience, perseverance and fate. 4. It is customary for the larger agencies to employ solicitors, who scour, rake, scrape, sift, screen and bolt the city for every possible (and impossible) risk that may exist, in return for which they are paid a commission on the business they secure—this in addition to the exceptional opportunities for extending their circle of acquaintance and knowledge of local geography which the work affords. What a solicitor needs most, next to a license, is legs—plural and enduring. It cuts no material figure whether they are of the parenthetical cast or whether they are sociably intimate at the knees, whether moderately long or not unseemly abbreviated, whether adorned at the extremities with pigeon toes or pigeon heels—just so they are of the get-there-with-both-feet variety. The successful solicitor is no pale-faced, office-bleached hibernator (nobody said Hibernian), but is an outdoor, weather-scorning, night-and-morning hustler. 5. An all-around man—all

INSURANCE DEFINITIONS

around town. (Any one caught indulging in a smile because of this pitiful attempt will be compelled to sign the pledge.)

See Canvasser.

"The solicitous solicitor solicited solicitously."

—From *Sort of Resortus*, Page 8026.

Sound Val'ue, n. (Note.—Am somewhat uncertain whether two words, one an adjective, can be a noun.—Lexi.) [U. S. *sound*, unimpaired, and *value*, worth having.] 1. The market desirability of a building or stock of goods or other insured property before a fire. 2. The value as contemplated in the policy. [Colloq. valued-policy States.] 3. Unfortunately, the sound value of a piece of property does not command much serious thought until, as such, it is a mere memory picture on the brain, a cold, clammy string of figures on a ledger page (or whatever book it is that such things are kept in) which has been fished out of a warped safe nestling in a bed of water-soaked ashes. To be sure, an inspector, or two or three or a hundred, may have taken a look about the place, and the proprietor may have been of an observing turn of mind; still, when the adjusters, the appraisers, the claimant and the local solons gather about a few carloads of ashes and several hogsheads of freshly leached lye (no insinuations whatever intended; purely a coincidence), the question of sound value is likely to result in some remarkable exhibitions of the erratic fallibility of the human thinker. Some foresighted institutions are now keeping a current statement from day to day of the sound value of the whole outfit, and where such is the case the adjustment of a loss is going to be so easy that the adjusters will be ashamed to draw their salaries—nit (Greek word meaning scarcely).

Spec'ial A'gent, spesh' al-a' jent, n. Fire insurance.—1. The traveling man or drummer of an insurance company. The finger tip with which the brainwork of the company keeps in touch with the field. Note.—Probably the most remarkable thing about the construction of the human finger tip is its wonderful nerve system. 2. The life of a special-agent is a correct imitation of a flowery bed of ease. All he has to do is to ride around in a Pullman sleeper or the caboose of a local freight, as the case might be, eat alternately at swell hotels and cross-roads lunch

INSURANCE DEFINITIONS

counters, jolly disgruntled agents into a semblance of exuberant joy, inspect risks of all kinds at all hours, lift supplies, discourage his expense account, keep off of the risks that will burn, adjust losses, keep in touch with the baseball teams so that when the g. m. comes down he can post him on the fine points of the players, rate towns, avoid reporters, publicity and smallpox and then put in his spare time reading insurance journals and otherwise improving his mind.

See State Agent, Field Man.

Life Insurance.—1. An agent working a territory more extensive than "local"; generally including two or more counties. 2. Quite often synonymous with local agent.

See Local Agent.

Spe' cial Con' tract, spe'shal kon'trakt, n. 1. A special inducement given a life insurance policyholder by some companies through which he receives certain profits or privileges. 2. An agreement with a given number of policyholders to pay or credit them with a percentage on new business written in a specified time and place, in return for their support or advice. 3. A method often resorted to by new companies or companies entering new territory. 4. Naturally special contracts are generally offered to prominent citizens. A man who has had two or three special contracts brought into the focus of his optical dispensation is liable to take that for a hint that he is due for local mayoralty, and he may even have visions of gubernatorialism, Morganism, gourmandism, ostracism, the White House, or even the postmastership of a fourth-class postoffice. Therefore, those who have the distribution of such contracts in charge should be careful not to double up injudiciously on the same prospect in the same week.

Spe' cial Haz' ard, spesh'al haz'ard, n. [It. *speciale azardo*.] 1. A risk with a tendency towards quick combustion. 2. A form of temptation which the devil delights to dangle before the underwriter's eyes continually. The attractive bait, a fat premium, always covers a sharp hook which will sooner or later land the underwriter whose sporting tendencies impel him to gamble a nibble now and then. 2. Special hazards do not always

INSURANCE DEFINITIONS

burn; some have passed through years and finally been torn down, but when they catch fire they are always "total losses." 3. Classically referred to as "a blamed good thing to fight shy of."

Compare Fire-trap.

Spe cif / ic In sur ' ance, *spe sif' ik in shur' ans*, n. 1. Insurance which distinctly defines the property covered. 2. Exclusive. 3. The opposite of blanket. [To which kindly refer.] 4. For example, one company may write specific on building and another specific on stock, then neither have to pay providing there is no fire. But if the building burns and the stock is not destroyed, the first would have a total loss, while the second would wink the other eye. If the stock burned, however, and the building was uninjured, the second would pay and the other would wink. In either case all the adjusters in the country would flock around to see how the miracle was done. 5. Specific insurance is a good provision for the insured, as he has no trouble in deciding on what to save in case of a fire and what to leave to the devouring elements. It also discourages a sudden congestion of a lot of *passee* items in the path of a fire and checks the fanatical enthusiasm of thrifty neighbors who have out-of-date furniture which they are willing to sacrifice to the flames of a next-door fire if there is a chance for a phoenix-like resurrection of values plus from the ashes in the way of insurance money. 6. Specific insurance prevents the production of mahogany ashes from oak originals, of a linotype wreck from a job press, of a warped threshing machine from a last year's corn sheller, etc.

See Blanket, Non-Specific, and repent.

Spon ta ' ne ous Com bus ' tion,, n. [Pollock. *cponknaubustski*, we need the money.] 1. A fire originating without human agency. 2. A voluntary fire, due to chemical or physical conditions. 3. Oily rags or waste, improperly cured hay, new wheat or other grains are prolific causes of spontaneous combustion. Under the right conditions they will generate heat, sufficient finally to ignite. Parlor matches, painters' outfits, moral hazards and overinsurance also answer to the roll call under this charge. Although spontaneous combustion may be independent of direct human agencies, yet human agencies may prepare the proper condi-

INSURANCE DEFINITIONS

tions to produce spontaneous combustion. If there had been fire departments, rich insurance companies, oily rags and oily citizens in the days of Solomon, he could not have delivered himself of a more cogent bit of wisdom touching spontaneous combustion than the foregoing. 4. As far as the firemen are concerned, it makes but little difference whether a fire started as an enterprising individual effort or as the handiwork of a two-legged firebug—the flames are all of the same water-consuming variety and will bear the same treatment; but insurance companies interested in the affair are always curious as to how much human agency entered into the dose. Possibly their interest is explainable by the fact that it is a case of “To pay or not to pay,” according to the origin. 5. Occasionally a spontaneous combustion entertainment is pulled off in a sudden, unexpected and most pronounced manner, distributing the building in which the chemical action took place and its contents over an entire municipality and producing a generally disordered appearance over the whole community. This is also called an explosion, for short.

See Burn, Conflagration, etc.

Sprink'ler E quip'ment, spring' klr e kwip'ment, n. 1. A system of pipes charged with water and fitted with valves, called heads, closed by fusible links or keys which, when melted by a slight raise in temperature, release the flood. 2. An amateur cloud-burst done up in an original package. 3. Sprinkler-equipments are supposed to get busy only when the plant is threatened by fire; but they sometimes grow tired of their sedentary life and fear that they are not paying for their keep, so they let go with no apparent provocation. This is known, scientifically, as sprinkler-leakage, but, by the vulgar, is called a very different name. Sprinkler-equipments often select Sunday afternoons, when no one is around, for these unappreciated exhibitions of zeal, not being conversant with the Sunday closing laws as affecting wet goods. If the same is not discovered before Monday morning the proprietor might as well open up a natatorium at once and be done with it. 4. Sprinkler-equipments have a very depressing effect on rates. 5. Caution—Never examine a sprinkler-head with a candle to see if it is all right when you are wearing a dress suit.

See Fire-extinguisher, Sprinkler, Leakage, etc.

INSURANCE DEFINITIONS

Sprin'kler Leak'age, n. 1. Leakage due to accidental opening of a sprinkler. 2. You may call it leakage if you want to, but if you have ever been present upon an occasion when a neighboring sprinkler head undertook to attract your attention to its presence by leaking several gallons per second onto your newly pressed spring suit, you would find a blotter and a sponge sadly inadequate to remove the evidences of the trickle. Even an entire stranger would note the change in your appearance and would mistake you for a reformed suicide. 3. This little facetious trait sometimes noticeable in sprinklers has given rise to a certain amount of apprehension, which has been met and placated by so-called "sprinkler leakage insurance." (This is the first step towards flood insurance.) [Note.—The foregoing suggests a broad definition of the function of insurance as the "placation of apprehension." This has no bearing on "sprinkler leakage" particularly, and shows how much more the readers of this work may get than they had hoped for. There is no niggardly attempt to turn them off with the bare information relating to the word in question, but bright, cheery nuggets of wisdom are thrown in for full measure regardless.]

See Sprinkler Equipment and call the salvage corps.

Stamp'ing Clerk, n. A clerk in a local board, who approves and stamps daily reports.

Stamp'ing Sec're tar y, n. The secretary of a local board who approves and stamps daily reports.

Compare Compact Manager.

Stamp Tax, n. (Obs., thank Providence.) [Coined by U. S. Congress in 1898.] 1. A tax levied on insurance companies to obtain funds for enabling the United States to show Spain where to get off. 2. Upon the issue of invitations by Uncle Sam for brave men who were willing to sacrifice themselves upon the altar of liberty and so forth, there was such a general response from underwriters throughout the country that it looked as if the important business of insuring lives, property and other per-

INSURANCE DEFINITIONS

ishables would be suspended while the fracas continued; so the government selected a few and told the rest to stay at home and lick stamps if they were bound to lick something or somebody. This was meant to be humorous, but the underwriters did not see anything funny in it. They were permitted to buy the stamps, paying a price which some alleged to be somewhat above the cost of production. This action was really a kindness to the Spaniards. Just imagine an army of ten to twenty-thousand life insurance agents advancing on the unsuspecting enemy—each carrying a rate-book in one hand and a bunch of blank applications in the other, while every pocket contained forty rounds of “literature”! Here, in times of peace, one will put ten to flight and ten will chase a thousand. The war would not have lasted long enough to have taken a place in history. 3. It is estimated that several thousand acres of stamps were licked by insurance agents. Judging by the recent growth of many of the companies they represent it must have added to their stock of stick-to-itiveness. [Laughter and applause.]

Stand'ard, adj. 1. Basis. 2. Figurative perfection. 3. That which, in a schedule, is taken as a basis or unit, and which is not subject to charges or credits. Schedules have a standard building, standard city, standard rate, standard risk, standard wall, etc.

See Schedule.

Stand Pipe, n. 1. A permanent line of heavy iron pipe extending from the ground to the roof of a building, having hose couplings or connections at the ground and on every floor, either on the outside of the building, often in connection with the fire escape, or on the inside. 2. The solution of the control of skyscraper building fires. 3. To be worth while, standpipes must be inspected occasionally to see that the threads of the couplings are in good order, that no brickbats have taken to nesting in them, that rust is not weakening their resisting qualities, that the valves are closed, that rag pickers are not taking them home as souvenirs, etc. One of the most important things to be attended to is to be certain that the popular style of hose coupling thread in the

INSURANCE DEFINITIONS

fire department is harmonious with that of the standpipe. A man can afford to be unique and eccentric about the way he parts his hair or wears his prosperity, but when it comes to coupling threads on a standpipe he must have his threads right-hand or left-hand and so many threads to the inch, according to the local pattern, or he'll regret it. It has happened more than once that firemen have exuberantly lost as much as a minute and a half trying to fit a right-hand hose thread to a left-hand standpipe thread, while the need of water in the upper stories would have shamed the Sahara. Such a predicament is very embarrassing to firemen, and they are liable to forget themselves and say unkind and stronger things. 4. Standpipes may also be used as a mode of egress and ingress to a building, but elevators are more popular.

State Su per vi'sion, -vizh' un, n. [Idio(ma)tic U. S.] 1. A custom of supervision to which companies must submit in every State they enter. 2. Another case of too many cooks. 3. An outgrowth of the laudable determination of American citizenship to exercise to the limit the free and independent right of sovereign Statehood. Insurance companies are often inclined to believe that the aforesaid right is over-trained. An insurance company must, chameleon-like, adapt itself to the local requirements of every State in which it operates. It does no good to kick, nor attempt to look brown when the local color is green, nor to belong to euchre clubs when the law prohibits congregating, nor to pay for goods at their market value if the statutes say they must be purchased according to the pricemark attached whether it may have been absent-mindedly raised by the proprietor or not, nor to wear rubies when the style, according to law, is diamonds or some other brand of securities. If a company does not admire its mode of treatment it can get out. 4. State supervision assures the companies of frequent friendly visits from a certain class of officials who become a part of the great scheme, less for their health than for other things. They make the most of opportunities—opportunities and insurance companies look alike to them. 5. The fruit of a plant is conceded to be a sufficient letter of introduction. The fruit of State-supervision is taxes, valued-policy laws, anti-compact laws, anti-co-insurance laws and all other kinds of get-off-the-earth laws and inimical legislation, reciprocal complications,

INSURANCE DEFINITIONS

fees, hold-up examinations and general turmoil and cussedness; which impels us to display our knowledge of Greek by summing it all up with the trite expression "nuff sed."

See Inimical Legislation, Insurance Commissioner, State Insurance Report et al.

Step Rate, n. [Coined in the nineteenth century.] 1. A plan of life insurance providing for an increasing premium year by year, or the natural premium. 2. Renewable yearly at attained age. 3. The pessimistic plan of life insurance popular with those who do not expect to die of old age and want cheap insurance. 4. Also known as step-ladder insurance, because the higher you get the shakier it gets, and when you reach the top you are almost certain to fall off and make trouble for your family. 5. It attracts some people because they are solicitous as to the future, and the cheap premiums of the early years are as far as they can see. To tell the truth, vendors of step-rate insurance do not attempt very seriously, either, to awaken their imagination as to what proportions a step-rate premium may assume. A man who accepts step-rate plan insurance undertakes to balance on its point a pyramid which grows year by year. It is easy at first, but after a while it tips over and squashes him.

Syn. Renewable Term, Natural Premium.

"The insured man, on the *step rate plan*,
Will find that he selected
An uphill road and a growing load,
Too late to be corrected."

From *Over the Chills, then the Poor House*. Last Verse.

Stip'ulated Pre'mi um, n. 1. A fixed or level rate of assessment which continues so until increasing mortality necessitates an advance. 2. One of the great drawbacks to assessmentism has always been the uncertainty of cost. The anxiety which naturally resulted among members as to whether the next payment was to be more or less than the one just passed became at last a serious menace to the welfare of many of these institutions. The nerves of the whole membership became unstrung, and this threatened to result in an increased mortality, which would so decimate the ranks that the influx of "new blood" could never be provided for in sufficient volume to keep the system from

INSURANCE DEFINITIONS

a complete collapse. Something had to be done. At this critical moment there arose a genius by the name of Stipulated with a plan of salvation. He proposed the scheme which bears his name. In accordance with his directions, the guiding mentors of an assessment association would choose a fixed rate to be charged as long as it would pay the claims. By selecting a figure slightly higher than the average for a certain period of time they would be able to get a little more than they would need some years, which could be used to fill in the gaps that occurred in those years where the claims exceeded collections. When, through advancing mortality, it was found that the gaps began to occur too often to be patched up, then they would guess the rate up to another level, where it would run along for some time until another boost became necessary. Mr. Stipulated's theory was that an occasional shock is not so wearing upon the human system as is the steady downpull of a continuous worry. His system is still in operation.

Stock Note, n. 1. A personal note given in lieu of cash for stock in an insurance company. 2. A doubtful asset. 3. Some prominent men have been persuaded to accept stock in this way, giving their notes "merely as a matter of form," under the impression that they were running no risk and were assisting the company through their connection with it. As to the latter impression they were correct, for names do count, no matter how easy a mark their possessors may really be, when it comes to a show-down, but as to the former impression, they often discover that instead of dividends from profits they are called upon by a receiver to cash their little "matter of form" at its face figure, however uncomfortable such a performance may be. 4. Stock notes are often resorted to in the formation of a company, but the sooner they are converted into cash the better will it be for the experience of the company.

Straight Can'vas, n. 1. A house-to-house canvass. 2. Up one side of the street and down the other. 3. This is one of the most prolific stunts (drama) of an industrial agent. An agent, without any debit, without any acquaintances, without any assets but determination and a friendly smile, by means of

INSURANCE DEFINITIONS

straight canvass work can build himself a debit, win friends and get at least board and lodging on Easy street. Of course, he can not hope to own a house of his own on that thoroughfare until he is a superintendent and has nothing to do but fill allotments.

See Canvass.

Street, n. See "The Street."

Sub-A 'gent n. An agent of an agent.

Sub ro ga 'tion, -sub row ga' shun, n. [L. *subrogo*, to pass it along.] 1. A profitable habit indulged in by fire insurance companies, through which, owing to circumstances surrounding a fire, another is made to pay the loss. 2. Risks along railroad tracks are especially desirable, since fires in such property are usually attributable to the negligence of the transportation trusts, and almost any jury with a proper percentage of rural representation in its personnel will manifest real relish in the privilege of relieving the insurance companies of the burden of the losses at the expense of the railroad. This is not because they love the one corporation the more, but because they love the other the less. This discrimination has its foundation, of course, in the never-ending controversy which is being carried on between the farmers and the transportation claim agents as to how a live, scrub, cross-breed runt can make a registered Poland-China hog corpse at the sudden instigation of some "limited." 3. Subrogation is one of the earliest achievements of the human race. It appeared in a well-developed case in the Garden of Eden, where the serpent was subrogated to a portion of the punishment for fruit stealing. [64 C. R., Appellate Division, Spring Term, Paradise. Vol. I (page number torn off).]

"If by *subrogation* we could pay all claims

A gentle horse laugh would we give the flames.

Then not the how much but the whom—

'Twould be a game of naming names."

—From *Insurance Khayyams*. V7.

Sub-Stand 'ard, adj. See Impaired Lives.

INSURANCE DEFINITIONS

Supplies', n. (As used in insurance phraseology always plural.) [L. *sub*, up, and *pleo*, to fill.] 1. The blank policies, daily reports, calendars, blotters and all printed forms and other matter furnished the agent by an insurance company. 2. Poetically speaking, the agent's kit of tools. 3. Most agents appreciate the significance of blank policies and take good care of them; but in a few offices the blotters and calendars, especially if the latter are particularly scrumptious, are kept in the safe while the policies and forms are smeared about on the counter promiscuously in a help-yourself style which could easily be taken advantage of. The companies are not giving such agents gold medals—not just now. 4. The term, "lifting an agency," occasionally observed, means really the lifting only of the supplies, or making a change. It is often a painful operation and is hardly an occasion for the interchange of loving cups. It is somewhat acrimoniously mooted as to just how much goes with the supplies under such circumstances. Some companies claim that the waste-basket, the beautiful Persian rug and several pages of the register should accompany the supplies to their new location. Agents generally think differently. This opens a corridor of thought which we hesitate to enter further.

See Literature, Blanks, Policy, etc.

"In lifting weights and dumb-bells great
The Special took the prize;
But the hardest lift he had to lift
Was lifting his supplies."

—From "*Underwriting Classics*," Page 6363.

Sur' plus, n. [LL. *superplus*, to the good.] 1. The excess over liabilities. 2. Tech. Velvet. 3. The surplus of an insurance company is the reservoir which is held ready to minister to a rapidly growing reinsurance reserve or unearned premium account. It is the wall which stands between solvency and an impaired capital. 4. Surplus adds dignity and inspires confidence in proportion to its magnitude. It also sometimes attracts criticism from a certain class of individuals who are irritated by long strings of figures, when preceded by a dollar sign, and who observe in surpluses only so much blood money extracted from an ever-suffering public by means of the "Great Heartless Triple Action Insurance Trust Hoi Poloi Lemon Squeezer;" (Incorpo-

INSURANCE DEFINITIONS

rated) also (Limited). This is an erroneous and badly warped view of the real *status quo* (Latin), for would these agitators but investigate and consider, they must realize that surpluses are public safeguards, forestalling the destruction of insurance institutions by sudden and unexpected calamities, such as conflagrations or epidemics, which would impair the natural reserves based on expectancy most hopelessly, if they had not some resources to fall back upon.

S. to policyholders, the surplus including capital stock Net S., the surplus after deducting capital stock.

Syn. Excess Security.

Sur ' plus Line, n. [*Super*, over, and *plus*, more.] 1. That portion of the insurance of a large line which remains to be underwritten after all authorized companies have loaded up to their limits. 2. An insurance white elephant. 3. It is in these lines that wild-cats and irresponsibles are permitted to gamble without restriction. Proprietors of plants which come under this class buy insurance by the cord, taking the bad with the good, arguing that, in case of a fire, they will be able to secure something, at least, from the free-booters by a compromise. 4. Surplus-lines usually make the fires that are played upon the front pages of newspapers with scare-head type. The special agents read the lists of companies, not to see if they are on, but for how much. 5. A company is generally compelled to write insurance on surplus-lines whether it wants to or not in order to keep solid with its local agent.

Syn., Target-Risk.

Sur ren ' der, v. t. [O. F. *surrendre*, to quit.] 1. To give up, as to surrender an insurance policy. 2. To drop. 3. A voluntary discontinuance of life insurance contracts on the part of the policyholder. 4. The modern insurance policy contract generally provides that, if surrendered after a certain number of months or years, as the case might be, a certain cash payment will be made, called by courtesy the "surrender value." The amount named is not of sufficient magnitude to create an epidemic of surrenders. It is not intended to act as a discouragement for those who aspire to become finally approved claims according to the

INSURANCE DEFINITIONS

natural order of things and the inevitable dissolution of the human body. The surrender value feature is the natural outcome of competition, though it has been accelerated in some States by special legislation. Before its advent a lapse prior to the maturity of the policy meant an abandonment of all its benefits. 5. The surrender value is given either in paid-up insurance or cash, or a combination of both, as the tastes or needs of the withdrawing one may dictate.

Compare Lapse.

Sur' vey, n. See Inspection.

Sur vey' ing A' gent, n. An agent who secures and examines risks, but does not sign policies.

T

Take Up, v. t. [From *take* and *up*.] 1. To discontinue; to put an end to. 2. It is sometimes necessary with fire insurance companies to get off of certain risks, which, for various reasons, may be regarded with suspicion at the home office, and the agent is then notified to take up the policy, which, of course, he gladly does, deducting from his cash drawer the return commission. Again, the company may indulge in a wholesale taking up of policies in a locality where some thrifty agent has been reporting planing mills and junk shops as dwellings and sprinklered gravel pits, pocketing the perceptible difference in rate for his own delectation and joy. Again, companies may learn that through some malevolence of fate their experience on a certain class of risks has approached the shady side of 100 per cent. as to losses, and, in consequence, an order goes forth for the wholesale taking up of policies on that particular style of ash piles. Also, policies of one company are taken up by some agents to be replaced by others, merely as a matter of business, so to speak. 4. To lift, as to take up supplies. One of the 3,631 duties of a special agent is to lift or take up the supplies of his company from one agency and place them in another. This operation is usually attended by an atmosphere of coolness, even in the hey day of the summertime. [See Special Agent.]

INSURANCE DEFINITIONS

Tar 'get Risk, tar'get risque, n. [Idiom. fire insurance.]

1. A risk or line of such proportions that all authorized companies carrying lines to their authorized limit are not able to furnish full indemnity. 2. A surplus line. 3. The first question that a new company in a strange land must face is how much it wants on all the target risks in sight. The more it wants, the better will be its reception and the more it will be made to feel at home and the more certain it will be to have a hot old time. It does not take a very experienced insurance marksman to hit a target risk right in the bullseye, and, vice versa, it does not take a very clever target risk to hit a company for a 70 per cent. loss. 4. Target risks are also useful to a community as a source of entertainment and gape-seed (Ceres Bot. Chap. XXII) for the benefit of sight-seeing visitors. Of course, this is not so much the fact that these lines are such insatiable insurance propositions as it is because of their great area or altitude. 5. Target risks and the attendant annoyance and worry because of the inability to secure sufficient insurance are among the penalties of wealth.

See Surplus Line.

Tar 'iff, n. [Fr. *tarif*, Sp. *tarifa*. From Ar. *ta' rif* from

'*arafa*, know.] 1. An approved schedule of premium rates. 2. A system of rates applicable to a given territory or to a specified classification. 3. Tariffs are prepared by the insurance companies for those States where anti-compact laws do not prevent joint action. Where such relationships are classed with house-breaking, horse-stealing and highway robbery, private individuals open tariff shops, where the companies can buy rates ready made. About the only difference it makes to the companies as to which method is followed is that the latter is more expensive for the insuring public.

See Rate.

Tar 'iff Rate, n. 1. A rate which is the genuine product of a real tariff. 2. A fragile piece of bric-a-brac which is sometimes more or less damaged before it is actually applied as designed.

Tax, n. [L. *tango*, to touch (notice the grim humor of this).] 1. A tribute. 2. A contribution (inspired) to the support of politi-

INSURANCE DEFINITIONS

cians and other State or municipal institutions. 3. [Rare.] Price of franchise privileges. 4. Owing to the human trait which makes it preferable sometimes not to let the right hand know what the left hand is about, it is a popular procedure with most lawmaking bodies to let the public pay a part of its taxes indirectly through insurance companies. As insurance companies do not pose as general tax collectors, but prefer to limit their efforts to the fire tax, the mortality tax or physical calamity taxes of various kinds, they sometimes kick, to express it poetically, against collecting and handing over a part of the taxes for the support of public officials, building and printing contracts and the charitable maintenance of political bosses and such. Still, the idea catches the public fancy, and it is a pleasure to know that insurance corporations are turning over from 7 to 10 per cent. of their income in taxes; so the companies find it useless to argue, but load the premium with each new revenue law to meet the additional burden. 5. A certain percentage of tax is fair enough, but the abnormal rate now paid by these institutions is simply a tax on thrift to the advantage of the thriftless. [Lucid's Logic.]

"And, ostrichlike, man closely shuts his eyes;

He fears not what he does not see.

He pays his *tax* in premiums of a size

Two times as great as they should be."

—From *The Wisdom of Ignorance*. Third Thought.

Ten'ant, n. [L. *teneo*, to freeze to.] 1. One who or that which occupies a dwelling or building. 2. That without which a property is said to be vacant. 3. Tenants have considerable bearing upon insurance, since occupied property is ordinarily considered more desirable as a risk for an insurance company than that which is unoccupied. Not always, however, for some persons are notoriously so unfortunate that fires are as common with them as measles in an orphan asylum. Such are said to be afflicted with a moral hazard, or *pyromentes moralis hazardibus*, as it is commonly known to medical science.

Syn. Occupant.

See Occupancy, Vacancy et al.

Term In sur'ance, n. 1. Life insurance which is payable only in event of death within a specified term or number of

INSURANCE DEFINITIONS

years. If the holder of such a policy survives the period, the policy expires, but in some cases is made renewable at an advanced rate. Because of its limited scope it is cheaper while it lasts than an ordinary life policy, but not enough so to make it attractive to a healthy, optimistic individual who aspires to die of old age. 2. Term insurance makes a good temporary provision to tide a man over some period of financial adventure or business hazard, but for straight, full-weight and satisfactory protection for a family it is not to be recommended.

"Term insurance, if continued, becomes a heavier burden with advancing years and diminishing strength for burden bearing."

—From *The Pathos of Mistakes*. Chap. 5

"The Pub'lic" n. (generally plural and always singular.) 1. That from which premium income is derived. 2. That which insures. 3. That fickle, destiny-controlling aggregation of human atoms which recognizes insurance as a necessity, but fondly imagines that it is always paying two prices for every dollar's worth it buys. Through its lawmaking systems it has the power to build up or break down financial institutions, which it employs with its varying fancies. 4. It is gullible and easily swayed by eloquence, impulse or cupidity. 5. It is quick to undertake indirect methods to correct errors which would yield quickly to direct treatment. 6. But, bless its old heart, it carries in America alone over \$9,000,000,000 of life insurance, billions of dollars of fire insurance, and billions more of accident, liability and all the other kinds of insurance, and so has a right to take an interest in the conduct of the companies which handle this great trust, even if, at times, in its efforts to put in a meddling finger, it makes most clumsy mistakes. Since it pays for the mistakes as well as the successes, where's the harm?

Refer to Inimical Legislation, Legislator and the State insurance reports.

"If The Public wants to foot the bill

'Tis well; obey The Public's will."

—From *Hamlet's Address to the Roman Senate*. Act X, Sc. 8.

"The Street," n. [Colloq.] 1. That particular locality in a town where most of the insurance offices are congregated. 2. Through a strong natural love for one another insurance agents

INSURANCE DEFINITIONS

like to have their offices as near together as possible. It also saves steps in effecting the interchange of business. 3. No stranger in a city can fail to know that he has arrived on "the street" if his aimless wanderings chance to bring him into that locality. There is one thing that an agent is not ashamed of (excessively not), and that is his business. The first thing that he considers in selecting an office is whether there is room on the front of the building for a sign and whether the windows will afford good space for display of gilt and gold. His first move after selecting an office is to figure on the tallest letters that can be used to spell the word "insurance," and then he gives the order for the sign. As this is a part of the business, the stranger need not be uncertain as to his whereabouts when he strikes "the street." It also explains why sign makers all get rich in insurance centers.

"He doesn't look as if he held the largest lines upon his books. He has the income of a prince? You'd never dream it from his looks. But so 'tis said upon the street."—From *Disguised Prosperity*. Canto III.

Ton' tine, ton'teen, adj. (Some so-called lexicographers place the accent on the latter syllable. It looks more symmetrical on the first.) [After an Italian named Tontì.] 1. In life insurance, a tontine policy is one in which the dividend accumulations are not distributed until the end of a certain period known as the tontine period, and then only among the survivors. Naturally such a provision leads the holder of a tontine policy to read the death notices with solicitude, and the payment of that last obligation is robbed of much of its shadow (that is, when it is paid by the other fellow). 2. The idea is said to have originated in the brain of Lorenzo Tontì, a Neapolitan banker, who had for some time been using said brain night and day to think up some scheme to raise sufficient funds to reupholster the local throne and to buy a new rug for the dining room of the palace. Lory was much discouraged at first, and it was only after consulting the oracle at Monte Carlo that he was at last rewarded by having the scheme germinate in his brain. By his application of it a lot of Neapolitan capitalists were persuaded to put up like sums in Mr. Tontì's bank. This he used for the upholstering and the rug. A yearly income was paid to the members of this association, which, as death rudely decimated its ranks, was divided among the surviving members. Of course, as the number grew less, the

INSURANCE DEFINITIONS

surviving individuals received proportionately more, and the genuine regret with which the last survivor finally let go of this good thing can well be imagined. After this coup Mr. Tonty was always referred to with much respect as the J. Pierpont Morgan of the seventeenth century. 3. Tontine, semi-tontine and tontine combinations in life insurance policies have been sold with varying popularity. Tontine periods are generally made for five, ten, fifteen or twenty years.

See Deferred Dividend.

Tor na' do, n. [Sp. *tornado*, return.] 1. A severe wind-storm having a whirling motion and funnel shape and covering a comparatively narrow path. 2. A "twister." [Colloq. Kans.] 3. A tornado usually wears the wide end of the funnel up, while it lashes the small end of its tail-like extremity about on the earth in playful disregard for consequences. It brushes fences, buildings, trees and leading citizens from one county into the next with the same eclat that a cow sweeps the flies from her back into the milkpail with her tail, and then twines the moist appendage lovingly about the sun-burned neck of the milker (!!*). 4. They are most common (tornadoes) from April to July, and are used to furnish items of interest for the newspapers during vacation months. 5. Insurance companies are endeavoring, in their modest way, to relieve the public of the embarrassment which generally results from the visit of a tornado by buying up the general chaos at so much per thousand, payable in advance. Any one contemplating entertaining a robust tornado during the summer will do well to call upon the nearest insurance agent. If your agent is out, address his home office for a sample policy.

Tor na' do In sur' ance, n. An agreement by contract to indemnify for loss from tornadoes or windstorms. See above.

To' tal Loss, n. [Total: Compounded from two words—*tote*, a Southern U. S. idiom meaning "to carry" and the collective noun *all*. Loss: A. S. *los*.] 1. A loss that takes the full face of a fire insurance policy in payment. 2. The kind of loss that casts a gloom over the home office like a London fog. Of course,

INSURANCE DEFINITIONS

with the older and more experienced companies, the eclipse is but momentary, for even calamities become commonplace upon constant repetition; but in the younger institutions the report of a total loss is liable to cause a panic. 3. Two or three total losses, judiciously administered, have been known to extinguish the entire nine lives of a wild-cat. 4. The only thing that can be said in favor of a total loss is its simplicity of settlement. 5. A total insurance loss is not necessarily a total property loss; for this reason it is to the advantage of insurance companies if the property is pretty well insured. 5. The term is not commonly used in reference to life insurance policies, probably because when such become claims they are usually total.

"As he drew so much per diem,
Adjuster Jones was cross
For what he thought a two weeks' job
Was but a *total loss*."

—From "*Insurance Classics*." Page 2435.

Trust, n. See Insurance Trust.

Twist, v. t. 1. To proselyte. 2. To persuade a policyholder to lapse or discontinue his policy in one company and take one in another.

Twist'er, twist'er, n. 1. A species of life insurance agent which takes its name from its habit of twisting a policyholder from one company to another. The operation is said to be usually harmful to the policyholder, but the twister finds delight in it because of the financial benefit which he secures thereby. 2. The species is quite common in America, nesting from the Gulf of Mexico to Hudson Bay. It is not to be distinguished from the common type of life insurance agent by any peculiar marking of its apparel, but wears the regulation garb of civilization and the same number of diamonds usually exposed on the person of life insurance agents. 3. Some claim that the name is derived from the resemblance of its subtle traits of character to those of the wily serpent, but a careful investigation of the Talmud and the Handy Guide shows this to be erroneous.

"Where others have sown with toll and care,
The twister reaps a harvest fair."—*Fohi, Canto X.*

INSURANCE DEFINITIONS

U

Um'pire, n. [L. *non*, not, and *par*, equal.] 1. Referee. 2. The third party in an appraisal, selected by the two appraisers who were appointed by the insurance company and the assured, respectively. 3. The umpire, to be ideal, must be impartial, not loving the one the more nor the other the less. Because of the scarcity of proper material it is sometimes very difficult to select an umpire. He must not only be above reproach, but approach also. Insurance men and the public often turn back the pages of memory regretfully to the picture of King Solomon and think what an acceptable umpire he would have made. With his reputation for impartiality and level-headedness, he could have easily earned twenty-five dollars a day and expenses, had he lived and gone into the umpire business. But life became distasteful to him, and it is doubtful whether, even had he known what opportunities would be open to him in this line in the twentieth century, he could have been persuaded to wait and accept them. 4. Umpire also refers to the czar of the diamond, in whose hands is the destiny of the favorite baseball team. This individual shares, with the compact manager, the ardent abuse and dissent of the local insurance fans (abbreviation of fanatics) upon his rulings which are adverse to their conception of fitness.

Syn. Referee.

Un auth'or ized, adj. Not according to law.

See Underground.

Un'der ground, a. 1. Unauthorized. 2. Wildcat. 3. Many companies, unworthy of patronage, secure business by underground methods. Being wildcat, they prefer to prowl about in the dark. Their assets are of such a nature that they will not stand light, and before the least ray of publicity they fade away, not leaving even a grease spot. 4. The safest underground method of operation is through the mails. Were such companies denied this co-operation from the government, they would follow lotteries to the land of revolutions, earthquakes and other political and seismic phenomena. 5. People buy underground insurance with the same avidity that they snap at smuggled cigars and

INSURANCE DEFINITIONS

rugs, and when they find that their policy is but an April first imitation of the real thing, as their cigars and rugs prove to be the products of Bowery sweat shops, they have no one to find fault with but themselves. These underground passages are found to be beautifully lubricated for the transmission of premiums, but it is about as hard to pull a loss settlement out of one as it is for a Republican politician to pull an easy job out of a Democratic administration. As far as working both ways is concerned, underground insurance is a mighty poor rule.

Syn. Unauthorized.

See Wildcat.

"Be not surprised, with feelings hurt,
If with an undergrounder you should flirt,
For since, by nature, he is *underground*,
He only does when he can do you dirt."

—Anon.

Un' der write, v. t. 1. To subscribe to an insurance contract. 2. To write insurance.

Compare Assure, Insure.

Un' der writ er, n. 1. One who underwrites or insures. 2. One who shares or assumes another's risk—for a consideration. 3. The term originated in Mr. Lloyd's saloon in London over a century ago. Some of the sports who loafed about the place became tired of seven-up and California Jack and invented the more exciting game of underwriting. It was so-called because the players signed (or wrote under) contracts to indemnify owners of vessels in case of loss or damage during a projected voyage, placing opposite their names the amounts they were willing to stake. The ship-owners, in turn, made contributions to the pool. The game proved very fascinating and became quite popular. Though history negligently fails to state, yet we are free to conjecture, that many progressive underwriting clubs were organized in London and thrived until they attracted adverse criticism from the Puritan clergy. From insuring only marine risks it has branched out into fire, life and other lines and from a coffee-house pastime it has developed into the business necessity of the present day. The corporations thus engaged are now known as underwriters. 4. An underwriter is one who distributes the effect of a calamity. 5.

INSURANCE DEFINITIONS

One who collects and disburses the tax on human woe or misfortune. 6. The direct lineal descendant of the command "Bear ye one another's burdens."

See Lloyd's Underwriters.

Und'er writ'ing Profit, n. 1. The net profit made by an insurance company from its underwriting. 2. An uncertain, evanescent something which all managers of insurance companies are continually trying to grasp. Sometimes the underwriting profit for the year is visible to the naked eye, while again it may be so conspicuously absent that the place in which it is not sticks a hole down into the surplus that looks as dismal as a London fog. 3. The legitimate way to figure the underwriting profit is to take the premium and subtract from it the losses and then the expenses, allowing, of course, sufficient time to elapse to permit the reserve to work off. The remainder, if there is any, is the underwriting profit. The distinguishing trait of a wildcat company is its method of handling this calculation. As in the former case, the premium is taken, but the first subtraction to which it is subjected is the underwriting profit. A generous proportion is taken off for this purpose, thus making sure of it. Then a goodly percentage is removed for expense, after which deductions, if anything happens to be left of the premium, it is used in compromising such losses as become so persistent that something has to be done to avoid the necessity of seeking new quarters and a new name.

Un'earned Pre'mi um, un'ernd pre'mi um, n. 1. That portion of a premium which is necessary to carry a policy to termination or to the next premium payment if the risk were reinsured. As soon as a policy is written it must be secured by a reserve or an unearned premium, which time reduces. 2. In companies which have a well-selected business the unearned premium account represents a certain amount of excess, which, in case of a sale of the business, would go to surplus. Desirable business is in demand at less than unearned premium rates. That may be rate cutting on a large scale, but, like other possibly questionable transactions on a grand scale, it is not considered obnoxious.

INSURANCE DEFINITIONS

Un' ex posed, un' ex pozed, p. p. Not within the influence of exposures. [Which see.]

Un i lat' er al, adj. 1. One-sided. 2. Of insurance application, in that a policy, through some misunderstanding or intent, is sometimes so written that the company is at no time liable in case of a loss. This is effected by the conditions of the policy and the circumstances of the individual case. Such contracts would be very profitable to insurance companies but for the habit of courts to demand the return of all premiums paid thereon.

Un oc' cu pied, p. p. See Vacant.

V

Va' can cy, n. [L. *vaco*, to be empty.] 1. State of unoccupancy of a risk. 2. Nothing doing. 3. Fire underwriters recognize the vacancy of a piece of property as an increase in the hazard and under certain conditions require the assured to procure a vacancy permit. In case a tenant signifies his intention to move and the company refuses to grant a vacancy permit assured had best retain tenant by fair means or fowl (this latter applies to boarding houses only). Some landlords nail up all exits when verbal persuasion proves ineffectual and thus retain tenants indefinitely. Another popular way is to notify the police that there is a case of smallpox in the house and the city immediately establishes a quarantine, thus saving the assured expense and eliminating the necessity of a vacancy permit. The great drawback to this plan is the difficulty in collecting the rent. 4. A house that has been afflicted with vacancy long enough will not need any vacancy permit. It will not even need any insurance. The human animal is of such an anticipatory disposition that certain specimens of the breed will take portions of vacant houses, presumably as mementoes or relics of possible future value because it was once or yet might be the home of a poet or president. Their first choice seems to be the plumbing; then the doors, blinds, front porch, etc., bit by bit are dissipated until there is nothing left but the cellar, the cistern and the mortgage.

See Vacancy Permit; Tenant; and notify the police.

INSURANCE DEFINITIONS

Va'can cy Per'mit, n. Special concession granted by the company to continue the insurance on a property while vacant for a specified time.

Va'cant, va kant, adj. 1. To let. 2. Unoccupied. 3. Untenanted. 4. Empty. 5. Knowing the eagerness of sneak thieves to unplumb modern houses, it seems strange that rental agents call the attention of these wreckers to the unprotected condition of the property by applying externally and prominently as possible cards announcing the fact.

Syn. Unoccupied.

See Vacancy.

Val u a'tion, val u a'shun, n. The act of valuing insurance policies.

Val'ue, v. t. [L. *vales*, be strong.] 1. To determine the reserve on a policy. 2. This work is generally performed by an actuary, though the method of valuing a policy may be mastered and operated by a mind less mathematical. To value a policy one must take into consideration the age at which it was taken out, the interest rate adopted by the company, the premium shorn of its expense loading and any other ornaments, the number of years the policy has run, the nature of the contract. One good at considering and knowing the combination, with a little patience and some mental struggle will be able to dig up the right answer in the course of the afternoon. But the agent who spends his time with a prospect in attempting to show him how to value a policy year by year or how to load a premium to get its share of new business will not be likely to persuade his client to take a policy to practice on. It is well enough for an agent to know how to value a policy if he wants to, but such knowledge seldom proves of value as a canvassing asset.

"He showed him how to *value* an
Endowment at age fifty;
By English and American,
And eke in fact by every plan,
With 3 per cent. until the man,"
Etc., etc.

—From *Stick to Your Text*. Opening of Canto VI.

INSURANCE DEFINITIONS

Val'ue, n. The equivalent of a policy, as cash value, paid-up insurance value, etc.

See Valuation.

Val'ued-Pol'icy Law, val'yud-pol'isy law, n. [Colloq. U. S.] 1. A measure passed in some States to compel fire insurance companies to wager specified amounts that certain risks will not burn in a given time, instead of permitting them to carry on a legitimate business of indemnifying property-owners for fire losses actually insured. 2. A premium on incendiarism. 3. A burden to honest citizens and a license to criminals. 4. One of those instances where thick-skulled law-makers, in attempting to soak it to corporations, soak it to their constituents instead. 5. One of the most striking arguments that law-makers should at least be threatened with intelligence—that one of the qualifications for State legislators should be brains. Like all other inimical legislation valued-policy laws cause increases in rates.

See Inimical Legislation.

W

Wa'ger Pol'icy, wa'ger pol'isi, n. 1. A gambling contract of insurance. 2. In life insurance a policy on the life of one person for the benefit of another who has no insurable interest in the life of the insured. 3. This style of gambling is prohibited in America, though still popular and permissible in England and Europe. The American has not yet felt the necessity for this style of excitement, as yet being fully occupied with horse racing, prize fighting, draw poker and politics. When these lose their charm possibly wager insurance will be introduced. 4. Wager policies are embarrassing to the person on whom they are written, for he feels with conflicting emotions that his tenacity to life is proving a bitter disappointment to his unknown beneficiaries, while he also realizes that if he permits the flame of life to flicker out he will bankrupt the companies or individuals who had sufficient confidence in his ability to thwart death to put up their money on it. It is not strange that all prominent men, in countries where wager policies are in vogue, are cross-

INSURANCE DEFINITIONS

eyed. That is to say, it wouldn't be strange if they were cross-eyed.

See Beneficiary.

Waiv'er, wav'er, n. [Ice *veifa*, wave.] 1. The relinquishment of a right, privilege or condition in the process of an adjustment of a loss or in the continuance of a policy in force. 2. A waiver may be voluntary or involuntary. The company may agree to waive certain conditions or it may waive its rights unintentionally by acts which imply a purpose not to claim said rights. To avoid such misunderstandings, fire insurance companies require claimants to sign waiver agreements, by which they consent to the company's making its investigations of the loss without such action being taken as an acknowledgment of liability. 3. This waiver business is of considerable importance to the agent as well, for a passing remark of his at the time of the delivery of the policy or upon the inquiry of the insured, which may seem trivial to him as he makes it, may result in a waiver that will cause the company to pay a loss for which it would not otherwise be liable. "Oh, that'll be all right," warbled into the receiver of a telephone, has been known to cost companies thousands of dollars. The best plan to adopt in answering inquiries of policyholders is first to count ten and then answer. Some agents count twenty or fifty. Others use the adding machine. When one stops and thinks that, because of his answer, he may have to pay the loss personally, he is inclined to be discreet.

See Agent, etc.

"Six letters spell it, w-a-i-v-e-r, and it cost us one thousand dollars per letter."

—From *Other People's Losses*. Chap. II.

War'ranty, n. [O. F. *warant*, ppr. of *warir*, guard.] 1. Guaranty. 2. Assurance of the truth of a statement. 3. Answers in an application for insurance are commonly made warranties and a part of the contract. Thus, if a man states in the application that he knows nothing, by actual personal experiment, of alcoholic liquors as a beverage, when in truth he has long been recognized as a human sponge for such forms of poison, or he may state that his knowledge of physicians and their methods is based entirely upon second-hand information, when he has suc-

INSURANCE DEFINITIONS

cessfully performed the role of chief dish for a select few surgeons at a little appendicitis party, and has swallowed a farm or two in the form of drugs, or where he states that his ancestral tree is remarkable for the spread of its branches, which have always made a specialty of longevity and golden weddings, when a correct diagnosis of the facts reveals that for years it has raised nothing but twigs, which have died close to the ancestral trunk, or if other misapprehensions of the facts are embodied in his application and made warranties, it naturally follows that when he dies and these bits of fiction are exposed, his expectant heirs are apt to learn that he was just joking when he claimed to be insured. It may seem heartless that the innocent should suffer for the guilty in such a case, but the insurance companies can not afford to encourage this style of humor. The market is over-worked as it is.

See Application, etc.

Wa'ter Supply', n. 1. That feature, or the lack of it, of a municipality which concerns the liquid discouragement of fires and is a matter of marked solicitude to fire underwriters. 2. Water-supplies are derived from various sources. The clouds represent the primal, the raw, the natural idea: but a town depending entirely upon rainstorms and cloudbursts to check its conflagrations is not considered a member of the preferred class and its basis rate is usually as high as the reservoirs of its water system. The next step in advance is the town which depends upon wells and cisterns. The fluid, when expediency insists, is transferred to the flames by means of a bucket brigade. [See same.] Fires have often been put out in this manner. However, a town that depends upon wells for its water-supply is not necessarily well-protected. [Use sparingly.] The most approved source of water-supply is from an underground network of iron pipes, from which the water escapes with such exuberance that it will easily sprinkle a crowd half a square beyond the fire. Most new cities which are looking for a place upon which to locate endeavor to select ground the subsoil of which is permeated with these systems of pipes. A city's success as a city greatly depends on this question. All water systems are not equally satisfactory to fire underwriters and their pleasure or displeasure is generally manifested in the

INSURANCE DEFINITIONS

basis rate. 3. The water-supply of some towns, outside of Kentucky and Milwaukee, is quite often used for drinking purposes as well.

Well Hole, n. [Ins. Arch.] 1. A floor opening to admit light or provide access from one floor to another. 2. Well holes, as contemplated by the fire insurance schedule, though recognized as necessities, are not considered as "well," the name to the contrary notwithstanding, but are penalized according to area and their protection or lack of protection by means of trap doors. As might be inferred, well holes afford as easy access for the distribution of flames throughout a building as they do more desirable elements. Architects are constantly engaged in a search for an ideal well hole, which will be in the nature of an exclusion act as to fire, but will be liberal in its behavior towards light and human beings.

See Schedule.

Wild - Cat ', wild'-cat, n. [Zool. *felis catus*.] 1. A species of marauding insurance irresponsibles which prey upon the public. They thrive because of the common desire of the human animal to obtain something for nothing, not realizing until too late that they are getting the reverse. 2. An insurance organization existing for revenue only. 3. Wild-cats breed in all parts of the country, but find the jungles of Chicago peculiarly favorable to their perpetuation. 4. Most of the States offer bounties for the scalps of wild-cats. 5. Wild-cats have rarely submitted to domestication. Animal tamers have often attempted the feat. Such tamers are more specifically known as "receivers." A receiver who has discovered the den of a wild-cat, upon entering the place, usually finds that the animal has escaped by the freight elevator or the mail-chute, leaving only a feather-duster, a spittoon and a bad smell.

See Snide, Fake, Green-goods, Gold-brick and wire the State insurance commissioner.

Wir 'ing, n. 1. The electrical equipment of a building. 2. The nervous system of a risk. (Fig.) 3. Because wiring is commonly out of sight and harmless enough, judging from appear-

INSURANCE DEFINITIONS

ances, when it first was introduced but little thought was given to its installation. The main object then was to see that the current did not have to make any very large jumps through the air to complete its circuit. Finally it became evident that, however insignificant wiring might appear to be, it showed a tendency to leak liquid heat and brimstone in a way that made loss ratios on electrically equipped buildings grow to alarming proportions. Careful study and much experiment and application has led to the present day system of wiring, which is subject to as many inflexible laws as were the Medes and Persians. Instead of indifference, it now is favored with careful and frequent attention. This rise from a lowly, unappreciated place in the regard of its masters to one of the most important positions on the inspection slip should prove an inspiration to the most humble office boy, if he is charged with proper ambitions.

Write, rite, v. t. 1. Contraction of underwrite. Which see.

X

See Q.

Y

Year, yere, n. [A. S. *gear*, year.] 1. The period of time in which the four seasons make the circle. 2. The length of time that an annual premium will keep an insurance policy in force. 3. The life of an ordinary calendar. 4. Twelve months. 5. One year is said to be as long as another, but the more a person has seen the shorter they seem. By the time a man gets to be thirty he notices that the months are contracting; at forty they begin to lay over a little at each end; at fifty there are only about ten months left in a year, and after sixty it begins to look like just one streak of January firsts. 6. The year in common use in English speaking countries, and in many others less favored, is that invented by the Rev. Gregory XIII, who was successfully the Pope at Rome from 1572 to 1585. He was a man of strong character and not easily discouraged, so when he saw that, through

INSURANCE DEFINITIONS

no fault of his own, he had inherited the unlucky XIII, he determined to rise above it. This very circumstance opened the way for his most successful achievement. He got to thinking that, if he had been born slightly prior or after the date he selected, he might have been number XII or XIV. With this thought, he began to consider the calendar which was then in use and not giving general satisfaction. It had been invented by General Julius Cæsar at one time during a lull in his rather strenuous career. Julius had always been literary in his tastes, and thought he would like to be the author of a calendar or an almanac that would be appreciated by posterity, but he had only made a rough draft of his calendar when the Eburones, or some other tribe, broke out of their reservation and he had to go and chase them back. From then until Brutus made the mistake of his life General Cæsar was too busy to complete his calendar. However, it was used in its partially hatched state until Pope Gregory got to thinking it over. It didn't quite adjust itself to the song of the stars and the swing of the seasons, and every once in a while the 4th of July would occur about the kind of weather one would expect on Thanksgiving day. Naturally, this was disconcerting, to say the least. Altogether, the Julian calendar was as uncomfortable as a misfit set of false teeth. Rev. Gregory succeeded in straightening out the kinks and adjusting the awkward places, and the Gregorian calendar is still in use, without any signs of running down. Its author is to be congratulated.

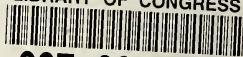
" The *year* is dying, dying.
The agent trips lightly—
Isn't he sprightly?
Yes, for he's trying, trying
An allotment to make
And a bonus to rake."

—From *Insurance Remnants*. V 6.

Z

See X.

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